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Proposed programme budget for the biennium 2018-2019

Proposed United Nations Secretariat contribution to the United Nations Development Group cost-sharing arrangement for the resident coordinator system

Report of the Secretary-General

Summary

The present report is submitted in response to paragraph 3 of part V of General Assembly resolution 71/272 B on special subjects relating to the programme budget for the biennium 2016-2017, in which the Assembly endorsed the conclusions and recommendations contained in the related report of the Advisory Committee on Administrative and Budgetary Questions (A/70/7/Add.48), took note of paragraph 25 (b) of the report of the Advisory Committee, underlined the importance of the resident coordinator system and requested the Secretary-General to present to the General Assembly at its seventy-second session a refined proposal on the cost-sharing arrangement and management of the financing thereof, and to submit associated costs in the proposed programme budget for the biennium 2018-2019.

In paragraph 58 of General Assembly resolution 71/243 on the quadrennial comprehensive policy review of operational activities for development of the United Nations system, the General Assembly requested the Secretary-General to prepare a comprehensive proposal on further improvements to the resident coordinator system administered by the United Nations Development Programme (UNDP), with a view to ensuring, at all levels, sufficient leadership and prerogative over the United Nations country team, as well as impartiality, independence, funding and a proper dispute resolution mechanism, and to present it to the Economic and Social Council at the end of 2017 for its review and recommendations and to the General Assembly at its seventy-second session for further action.

Pending the preparation of that comprehensive proposal and with a view to ensuring critical business continuity of the resident coordinator system, the United Nations Development Group has agreed on an interim funding arrangement for the biennium 2018-2019, whereby member entities of the Group are requested to contribute the same annual cost-sharing amount that they were expected to contribute

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in 2017. In defining this approach, the Group has considered that any sustainable refinements to the current arrangement should be informed by the outcome of the ongoing review of the United Nations development system, including its resident coordinator system. The current formula would be adjusted, as required, following consideration by Member States of the proposals to be delivered by the Secretary-General by December 2017.

In the meantime, to ensure the sustainability and continuity of the resident coordinator system, the General Assembly is requested to approve the contribution of the United Nations Secretariat to the resident coordinator system of $13,571,800 and in this regard decides to increase the appropriation of $13,321,574 under section 9 on economic and social affairs, of the proposed programme budget for the biennium 2018-2019, by the amount of $250,226, as requested in the present report.

I. Introduction

1. The proposal for United Nations Secretariat support for the United Nations resident coordinator system was first presented in the report of the Secretary-General on revised estimates resulting from resolutions and decisions adopted by the Economic and Social Council during its 2014 session (A/69/535), pursuant to Economic and Social Council resolution 2014/14 on progress in the implementation of General Assembly resolution 67/226 on the quadrennial comprehensive policy review of operational activities for development of the United Nations system.

2. The Advisory Committee on Administrative and Budgetary Questions, in its related report (A/69/609), stressed that the General Assembly had not yet considered the cost-sharing arrangement for the resident coordinator system. The Assembly, in its resolution 69/262, stated that it looked forward to receiving all relevant information on the resource requirements for the arrangement in the proposed programme budget for the biennium 2016-2017.

3. The proposed programme budget for the biennium 2016-2017 for the Department of Economic and Social Affairs (A/70/6 (Sect. 9)) included a proposal to cover the United Nations Secretariat contribution to the resident coordinator system. However, the General Assembly, in its resolution 70/247, requested the Secretary-General to provide further detailed information during the first part of its resumed seventieth session.

4. As requested by the General Assembly in resolution 70/247, the Secretariat presented a report on its proposed contribution to the cost-sharing arrangement for the resident coordinator system (A/70/703), in which the Assembly was requested to appropriate $13,321,574 to cover the contribution of the Secretariat to that system. However, in its report (A/70/7/Add.48), the Advisory Committee noted that it was not clear how the cost-sharing formula reflected the requirement for contributions to reflect the direct involvement of each participating entity based on the proportion of services used. The Committee also noted the absence of a unified mechanism for intergovernmental consideration of all aspects of the cost-sharing arrangement, including the global budget of the resident coordinator system. In that context, the Committee recommended that the Secretary-General submit a new report on the cost-sharing arrangement for consideration and approval by the Assembly. In the interim, the Committee recommended the approval of $6,535,653, which would ensure funding for the resident coordinator system for the year 2016, while allowing time for the Secretary-General to refine his proposal and resubmit it to the General Assembly for consideration.

5. The General Assembly endorsed the conclusions and recommendations of the Advisory Committee, subject to noting the recommendation to approve $6,535,653 in the interim, underlined the importance of the resident coordinator system and requested the Secretary-General to present to the Assembly, at its seventy-second session, a refined proposal on the cost-sharing arrangement and management of the financing of the resident coordinator system, and submit associated costs in the proposed programme budget of 2018-2019.

6. An amount of $13,321,574 was presented for the contribution of the United Nations Secretariat to the resident coordinator system in the proposed programme budget for the Department of Economic and Social Affairs for 2018-2019 (A/72/6 (Sect. 9)); the amount of $13,321,574 was based on the 2016-2017 contribution level to the cost-sharing arrangement of the United Nations Development Group, according to which the United Nations Secretariat was expected to contribute $6,535,653 in 2016 and $6,785,921 in 2017. The 2017 contribution level reflects an adjustment for International Civil Service Commission (ICSC) pro forma staff costs.

7. For the 2018-2019 biennium, the global budget for the resident coordinator system will be maintained at zero growth without ICSC pro forma adjustment. The expected contribution from the United Nations Secretariat remains at the 2017 contribution level of $6,785,921. In the present report, the originally proposed amount for the biennium 2018-2019 is updated accordingly to $13,571,800, reflecting an increase of $250,226.

II. Importance of the resident coordinator system

8. United Nations resident coordinators serve as representatives of the Secretary-General at the country level, thereby supporting initiatives well beyond the United Nations development system. In 2016, 129 resident coordinators led the work of 131 United Nations country teams in support of 165 countries and territories where the United Nations development system has a programme and policy presence.

9. As outlined in paragraphs 6 to 13 of the previous report of the Secretary-General (A/70/703), the United Nations resident coordinator system is the cornerstone of a coherent United Nations system that is "fit for purpose" to deliver integrated support to Governments and to support the Secretary-General, United Nations Secretariat entities and United Nations regional and country operations.

10. In paragraph 54 of its resolution 71/243, on the quadrennial comprehensive policy review of operational activities for development of the United Nations, the General Assembly recognized the important role of the resident coordinator system in supporting government efforts, including for the achievement of the 2030 Agenda for Sustainable Development, by improving the efficiency and effectiveness of operational activities for development at the country level through the promotion of strategic support for national plans and priorities, enhancing sustainable development results and thereby making operations more coherent and efficient, while also reducing costs at the country level.

III. System-wide cost-sharing agreement in support of the resident coordinator

11. In its resolutions 67/226 and 71/243, the General Assembly requested the Secretary-General to ensure appropriate funding support for the resident coordinator system, including through an effective and fair cost-sharing arrangement among United Nations development system entities, based on the cost of the coordination functions performed.

12. In response to the request of the General Assembly, the United Nations Development Group has been implementing a system-wide cost-sharing agreement in support of the resident coordinator system since January 2014, in order to ensure that resident coordinators and United Nations country teams have the necessary stable and predictable resources to fulfil their mandate effectively.

13. Under the above-mentioned agreement, UNDP, as manager and host of the resident coordinator system, continues to fund the "backbone" costs of the resident coordinator system at the global, regional and country levels. The "backbone" consists of the salaries of resident coordinators, the infrastructure to support them and some costs at the regional and global level of the system, all of which amount to approximately $90 million annually.

14. The system-wide cost-sharing agreement of the United Nations Development Group supplements the UNDP "backbone" and funds core coordination capacity in

resident coordinator offices, the six regional Group teams and the United Nations Development Operations Coordination Office with the total planned amount of approximately $35.9 million annually as an investment in the ability of the system to deliver integrated and joined-up support for the 2030 Agenda for Sustainable Development.

15. Member entities of the United Nations Development Group are expected to contribute to the system-wide cost-sharing agreement according to an agreed formula (see annex). With the exception of the United Nations Secretariat, all member entities have contributed to the sharing the cost, although some members have contributed less than their apportioned shares. In 2016, the overall funding gap amounted to $8.4 million, which included a shortfall of $6.5 million for the Secretariat. For 2017, the overall funding gap is $7.8 million, which includes a shortfall of $6.8 million for the Secretariat.

16. In paragraph 44 of its resolution 70/221 on operational activities for development of the United Nations system, the General Assembly reiterated the importance of the cost-sharing agreement for the resident coordinator system and strongly requested the organizations of the United Nations development system that had not already done so to take appropriate actions to implement the agreement, subject to the approval of their governing bodies and without impacting on programme delivery, including by paying their contributions in full. The Assembly notes that it had yet to approve the contribution of the Secretariat to the agreement and reiterated its request to the Secretary-General to include in his regular reporting to the Economic and Social Council updates on agency-specific progress in that regard.

IV. Review of the system-wide cost-sharing agreement in support of the resident coordinator system

17. In paragraph 45 of its resolution 70/221 on operational activities for development of the United Nations system, the General Assembly requested the Secretary-General, with a view to addressing the funding gap expected for the resident coordinator system, and in consultation with all the organizations of the United Nations development system, to make proposals to the Economic and Social Council during the segment on operational activities of its substantive session of 2016 on ways to further develop the cost-sharing agreement in order to address the effective needs of the system.

18. The United Nations Development Group commissioned an independent review of the cost-sharing agreement to ensure efficiencies and determine how best to ensure a stable and sustainable funding arrangement for the resident coordinator system. The review will help to inform the quadrennial comprehensive policy review request on sustainable financing for the resident coordinator system and also the second report of the Secretary-General on repositioning the United Nations development system.

19. The objectives of the study were to review the financing of the resident coordinator system and the implementation of the United Nations Development Group cost-sharing agreement, the degree of compliance across the Group, based on General Assembly resolution 70/221, and the elaboration of proposals for the further development of the cost-sharing agreement, in order to address the effective needs of the system in the context of supporting the implementation of the 2030 Agenda for Sustainable Development.

20. The review was conducted by Dalberg Global Development Advisors and concluded in early August 2017. It was organized around three topics: (a) the overall coordination budget; (b) the formulae for cost-sharing and allocating the funds among the entities of the United Nations Development Group; and (c) processes and reporting on the cost-sharing agreement.

21. With regard to the overall coordination budget, the review found that it was insufficient for current or future needs, noting that (a) the budget was well below the spending and estimated needs laid out in the independent baseline study on the resident coordinator system funding modalities, conducted in 2012, which included a review of the budget; (b) resources had declined since 2011, while functions had remained the same or increased and many resident coordinator offices were compelled to raise funds from local cost-sharing arrangements or from donors; (c) many stakeholders had indicated in interviews that they believed the resident coordinator system to be underfunded, while none believed it to be sufficiently funded; (d) funding for development coordination was much lower than for humanitarian coordination; and (e) delivering on Agenda 2030 would require even greater levels of coordination from the United Nations development system than in the past.

22. The consultants found that given that cost-sharing provided for only one to two staff positions per resident coordinator office and only $50,000-$120,000 for general operating expenses and United Nations country team joint activities, there were few straightforward efficiency gains to be achieved. However, there might be room to shift effort and resources to highest-value activities, particularly strategic analysis and planning and joint resource mobilization, which were viewed as the most important coordination functions and currently received less attention than their importance would suggest they should, while general oversight and coordination consumed more time relative to their perceived importance.

23. With regard to the formulae for cost-sharing among the entities of the United Nations Development Group, the consultants confirmed the validity of the three components of the current cost-sharing formula, consisting of: (a) a base fee, (b) system load based on the number of countries in which entities operated and (c) the size of the entity, noting that any acceptable formula needed to include a balance between those three components. They also found that a fee-for-service model was not appropriate, given that all but one of the coordination functions could not be divided into services attributable to specific Group entities.

24. The consultants found that while most members of the United Nations Development Group had paid their expected contributions in full, the fact that a few entities had only contributed reduced amounts and particularly since the Secretariat had not yet contributed to the cost-sharing, the financial sustainability of the resident coordinator system had been weakened. The United Nations Development Operations Coordination Office had been able to cover for the payments that had not been made by using a balance from donor funding received prior to 2014, but that balance was expected to run out by the end of 2017. If further funding was not secured, the resident coordinator system would have to make budget cuts at all levels, which would result in reduced capacity for coordination.

25. With regard to the participation of Secretariat entities in the cost-sharing formula, the consultants noted that three of them were small headquarters-based offices that only made limited demands at the country level, namely the Office of the High Representative for the Least Developed Countries, Landlocked Developing Countries and Small Island Developing States, the Office of the Special Adviser on Africa and the Special Representative of the Secretary-General for Children and Armed Conflict. They further noted that there was no apparent logic behind

applying only one base fee across all 14 Secretariat entities, since each was a member of the United Nations Development Group in its own right and each participated separately in United Nations Development Assistance Frameworks and in country teams at the country level.

26. With regard to the processes and reporting on the cost-sharing agreement, the consultants found that the process for invoicing the member entities of the United Nations Development Group functioned well overall, even though the United Nations Development Operations Coordination Office did have to follow up with some entities in order to collect payment. The process for the distribution of funds to countries and the regional Group teams worked well. Members of the Group mostly appreciated the annual Group results report, but it was not well known at the country level.

V. Comprehensive proposal on further improvements to the resident coordinator system

27. In paragraph 58 of its resolution 71/243, the General Assembly requested the Secretary-General to prepare a comprehensive proposal on further improvements to the resident coordinator system administered by UNDP, with a view to ensuring, at all levels, sufficient leadership and prerogative over the United Nations country teams, as well as impartiality, independence, funding and a proper dispute resolution mechanism, and to present it to the Economic and Social Council at the end of 2017 for its review and recommendations and to the General Assembly at its seventy-second session for further action.

28. Pursuant to General Assembly resolution 71/243, the Secretary-General submitted his first report on the repositioning of the United Nations development system entitled "Repositioning the United Nations development system to deliver on the 2030 Agenda — ensuring a better future for all" in June 2017, which put forward his vision and initial proposals for strengthening the leadership of resident coordinators and reasserting their authority and impartiality over the work of United Nations country teams as they support Governments to deliver on the 2030 Agenda.

29. The Secretary-General is proceeding, in consultation with Member States and the United Nations development system, with further analysis, in order to present to Member States more detailed proposals for improving the resident coordinator system, including future financing and funding arrangements, as part of his second report on the repositioning of the development system, which will be delivered to the Economic and Social Council at the end of 2017 for its review and recommendations and to the General Assembly at its seventy-second session for further action.

VI. Interim United Nations Development Group cost-sharing agreement for the biennium 2018-2019

30. The forthcoming comprehensive proposals of the Secretary-General on further improvements to the resident coordinator system are likely to have implications for the future funding of the system. Recognizing that the continuity of operations of the resident coordinator system at the country, regional and global level is critical and that it depends on all member entities of the United Nations Development Group paying their contributions in full and on time, the Chair of the Group has proposed an interim arrangement for the 2018-2019 biennium.

31. The global budget will be maintained at zero growth and continue to amount to $127.2 million annually for the biennium 2018-2019. UNDP, as manager and host of the resident coordinator system, will continue to fund the "backbone" costs of the system at the global, regional and country levels, amounting to some $90 million annually, while the remaining costs of $37.2 million are shared among 19 United Nations Development Group member organizations, including UNDP.

32. Consequently, for the biennium 2018-2019, the member entities of the United Nations Development Group are expected to contribute the same annual amount that they were expected to contribute in 2017. The executive heads of the member entities have agreed to this interim agreement to ensure continuity of operations of the resident coordinator system until the comprehensive proposal of the Secretary-General on further improvements to the resident coordinator system have been considered by the General Assembly at its seventy-second session.

VII. Proposed contribution of the United Nations Secretariat to the resident coordinator system

33. The funding structure for the resident coordinator system for 2017 is set out in tables 1 and 2, which provide a breakdown of the annual allocations to the country, regional and global levels by UNDP and the United Nations Development Group. As the principals of the Group agreed as an interim measure to maintain for the biennium 2018-2019 the annual agency contributions to the cost-sharing formula for the resident coordinator system at the 2017 levels, the funding structure for the biennium 2018-2019 will follow the 2017 model shown in tables 1 and 2, with some necessary adjustments to accommodate this approach and as recommended by Dalberg in its recently completed review. A structured model of the standard capacity in each country category is set out in table 3. The application of the cost-sharing formula to derive the contribution of the United Nations Secretariat to the overall requirements of the resident coordinator system is set out in table 4.

34. Taking into consideration tables 1 and 2 below, the total UNDP backbone allocation amounts to $90 million and the total United Nations Development Group portion amounts to $37.20 million, making a grand total of $127.20 million.

Table 1
Funding structure for the resident coordinator system, 2017[1]
(United Nations country team support)

(Millions of United States dollars)

Category	*Number of countries*	*Global cost*	*UNDP backbone allocation*	*United Nations Development Group portion*
Resident coordinator system support to countries				
Staff costs			60.18	
Non-staff costs			12.53	
Total	**131**		**73.71**	

[1] The funding structure will remain the same for the biennium 2018-2019.

Category	*Number of countries*	*Global cost*	*UNDP backbone allocation*	*United Nations Development Group portion*
Countries in complex crisis situations				
Staff costs		13.99		
Non-staff costs		3.19		
Total	**28**	**17.18**		
Low-income countries				
Staff costs		4.69		
Non-staff costs		3.80		
Total	**36**	**8.48**		
Low middle-income countries				
Staff costs		7.60		
Non-staff costs		2.62		
Total	**47**	**10.22**		
High middle-income countries				
Staff costs		1.79		
Non-staff costs		0.82		
Total	**14**	**2.61**		
Net-contributing countries				
Non-staff costs		0.84		
Total	**6**	**0.84**		
Total, United Nations country team support	**131**	**39.33**	**12.88**	**26.45**

Table 2
Funding structure for the resident coordinator system, 2017[2] (regional and global support)

(Millions of United States dollars)

Category	*Number of posts*	*Global cost*	*UNDP backbone allocation*	*United Nations Development Group portion*
Regional support				
Staff costs		3.00		
Non-staff costs		0.60		
Total	**12**	**3.60**	**1.59**	**2.01**
Global support				
Staff costs		6.80		
Non-staff costs		3.75		
Total	**27**	**10.55**	**1.82**	**8.73**

[2] The funding structure will remain the same for the biennium 2018-2019.

Table 3
Resident coordinator system standard structure model for the United Nations Development Group cost-sharing arrangement

Category	*Capacity*
Countries in complex crisis situations	P-5
	P-3
	NPO-C[a]
	General operating expenses: $120,000
Low-income countries	NPO-C
	NPO-B
	General operating expenses: $100,000
Low middle-income countries	NPO-C
	NPO-B
	General operating expenses: $50,000
High middle-income countries	NPO-C
	General operating expenses: $50,000
Net-contributing countries	General operating expenses: $120,000
Multi-United Nations country team operations[b]	Additional general operating expenses: $50,000
Regional United Nations Development Group teams	P-4
	P-3
	General operating expenses: $100,000
Global work of the United Nations Development Group, including its secretariat	27 positions
	Global support budget: $3,750,000

Abbreviations: NPO, National Professional Officer.

[a] United Nations country teams will be requested to undertake a team approach to monitoring and evaluation and to share the costs for the National Professional Officer (NPO-C) function that will support the resident coordinator in coordinating the team approach. The funding requirements for the NPO-C function are not included in this budget.

[b] The category "Multi-United Nations country team operations" refers to two resident coordinators and resident coordinator offices that support more than one United Nations country team. A total of 131 United Nations country teams are supported across five country categories.

Table 4
Cost-sharing formula for deriving the United Nations Secretariat contribution to the requirements of the resident coordinator system

(United States dollars)

United Nations Secretariat contribution	*2018*	*2019*[3]	*Total*
Step 1. Base fee			
A base fee of $350,000 for entities with an average annual expenditure in 2012-2013 greater than $500 million	350 000	350 000	700 000
Step 2. Entity size in terms of expenditures and staff count			
50 per cent of "b" is prorated by the ratio of the average expenditure and 50 per cent by the ratio of staff count			
(a) Expenditure: d*(b/4)	1 746 712	1 746 712	3 493 424

[3] The amounts for 2018 and 2019 are identical, reflecting the amount for 2017.

United Nations Secretariat contribution	*2018*	*2019*[3]	*Total*
(b) Staff size: f*(b/4)	1 581 217	1 581 217	3 162 434
Subtotal, step 2	**3 327 929**	**3 327 929**	**6 655 858**
Step 3. System load			
Ratio of total number of UNDAFs entered into by United Nations Secretariat entities x 50 per cent of balance of net expenditures to be shared by members of UNDG			
(b/2)*h	3 107 992	3 107 992	6 215 984
Total, United Nations Secretariat contribution	**6 785 921**	**6 785 921**	**13 571 800**
Percentage of total expenditures to be shared	18.2 per cent	18.2 per cent	18.2 per cent
Breakdown of factors used in cost-sharing formula	*2018*	*2019*	
a. Total expenditures to be shared by members of UNDG	37 200 482	37 200 482	
b. Balance of total expenditures to be shared by members of UNDG net of base fees. 50 per cent of this balance will be distributed under step 2. The remaining 50 per cent will be distributed based on step 3	32 350 482	32 350 482	
c. United Nations Secretariat average expenditure in 2012-2013	4 186 239	4 186 239	
d. Ratio of United Nations Secretariat average expenditure to total average expenditure of UNDG of $19,383,107 in 2012-2013	21.6 per cent	21.6 per cent	
e. United Nations Secretariat staff count	7 023	7 023	
f. Ratio of United Nations Secretariat staff count to total staff count of members of UNDG (35,921)	19.6 per cent	19.6 per cent	
g. Number of UNDAFs entered into by United Nations Secretariat entities in 2013[a]	318	318	
h. Ratio of number of UNDAFs entered into by United Nations Secretariat entities to total staff count of members of UNDG (1,655)	19.2 per cent	19.2 per cent	

Abbreviations: UNDAF, United Nations Development Assistance Frameworks; UNDG, United Nations Development Group.

* Indicates multiplication.

[a] The number of United Nations Development Assistance Frameworks entered into by United Nations Secretariat entities during 2013 was 318, broken down as follows: Department of Economic and Social Affairs (3), Department of Public Information (14), Office for the Coordination of Humanitarian Affairs (21), regional commissions (34), Office of the United Nations High Commissioner for Human Rights (63), United Nations Office on Drugs and Crime (64), United Nations Human Settlements Programme (56) and United Nations Environment Programme (63).

VIII. Conclusions and recommendations

35. In accordance with the proposed total United Nations Secretariat contribution reflected in table 4 above, the General Assembly is requested to appropriate an amount of $13,571,800 for the biennium 2018-2019. This is to ensure continuity of operations of the resident coordinator system.

36. The cost-sharing contributions for subsequent bienniums will be informed by the comprehensive proposal of the Secretary-General on further improvements to the resident coordinator system, which will be presented to the Economic and Social Council at the end of 2017 for its review and recommendations and to the General Assembly at its seventy-second session for further action. The contribution will be

provided to the United Nations Development Group on an annual basis in January, under grant arrangements.

IX. Actions to be taken by the General Assembly

37. The General Assembly is requested to approve the contribution of the United Nations Secretariat to the resident coordinator system of $13,571,800, and in this regard decides to increase the appropriation of $13,321,574 under section 9, economic and social affairs, of the proposed programme budget for the biennium 2018-2019 (A/72/6 (Sect. 9)) by the amount of $250,226 as requested in the present report.

Annex

Cost-sharing formula of the United Nations Development Group for the resident coordinator system

The costs of the resident coordinator system are shared by member entities of the United Nations Development Group, as outlined in the review of funding modalities in support of the resident coordinator system.[1] The first funding cycle covered the biennium 2014-2015. The cost-sharing formula was updated for the 2016-2017 biennium. For the biennium 2018-2019, the principals of the Group agreed to maintain the respective annual agency contributions to the cost-sharing formula at the 2017 level, to ensure continuity of the resident coordinator system, as a review of the cost-sharing formula was under way. The present annex and the calculations herein therefore detail how the 2017 allocation was determined, on which the 2018 and 2019 contributions will be based.

As the manager of the resident coordinator system, UNDP continues to provide the "backbone" costs of the system at the global, regional and country levels, amounting to some $90 million annually. The remaining funding requirements of $35.9 million in 2016 and $37.2 million in 2017 are shared by the United Nations Development Group, including UNDP. Those amounts are based on the 2012 associated costs of the resident coordinator system, adjusted merely for changes in staff pro forma costs. For each year of the biennium 2018-2019, the amount established for 2017 will be utilized, as noted above, at $37.2 million to be cost-shared by the member entities of the Group.

All member entities of the United Nations Development Group participate in the cost-sharing arrangement based on the three-step formula set out below.

Step 1. Annual base fee

All members of the United Nations Development Group contribute to the annual base fee, as a reflection of the fact that the resident coordinator system is owned by and benefits all members of the United Nations development system and in recognition of the fact that all members place a minimum load on the system. It is determined as follows:

(a) $100,000 as a flat fee contribution for United Nations Development Group entities that do not carry out substantial operational activities at the country level. This shall apply to all entities with average annual expenditures of less than $100 million and/or representation in fewer than 10 United Nations Development Assistance Frameworks;

(b) $175,000 for United Nations Development Group entities with average annual expenditures of less than $500 million;

(c) $350,000 for agencies with average annual expenditures of more than $500 million.

These funding thresholds will be regularly reviewed and adjusted as necessary.

United Nations Secretariat entities will be contributing with a single combined base fee equivalent to the base fee for agencies with average annual expenditures of more than $500 million.

The annual expenditures of United Nations Development Group entities are drawn from the financial statistics used by the United Nations System Chief

[1] See United Nations Development Group summary note of 22 May 2013 (annex 1).

Executives Board for Coordination (CEB). The average annual expenditures of Group entities are calculated on the basis of each entity's average expenditure in the two most recent years for which CEB data is available (i.e., 2012 and 2013 for contributions in 2016 and 2017).

According to step 1, the base fee contributions from United Nations Development Group member entities are deducted from the total funding requirement. The remaining funding requirement is equally distributed between step 2 and step 3, to which Group members with substantial operational activities (falling under step 1 (b) and (c) above) contribute.

Step 2. Agency staff size and expenditures

As a reflection of the principle of fairness and to ensure that agencies contribute according to their abilities, United Nations Development Group member entities, including the United Nations Secretariat, contribute in proportion to their share of total Group expenditures (step 2 (a)) and staff count (step 2 (b)).[2]

Humanitarian and peacekeeping expenditures and the loan portfolio of the International Fund for Agricultural Development (IFAD) shall be excluded from the calculation of agency size (step 2 (a)). Peacekeeping staff numbers shall also be excluded from the calculation of agency size (step 2 (b)).[2]

Agency expenditure statistics, including humanitarian expenditures, are drawn from the latest available financial statistics used by CEB, reflecting each entity's average expenditure in the two most recent years, for which data is available (step 2 (a)).[2]

United Nations personnel statistics (step 2 (b))[2] are drawn from the latest CEB statistics for the staff of the organizations in the United Nations common system with appointments for a period of one year or more (i.e. as at 31 December 2013 for contributions in 2016 and 2017).

Step 3. System load

Step 3 recognizes that different entities place a different load on the system and gain different magnitudes of benefit.

United Nations Development Group member entities, including the United Nations Secretariat, contribute in proportion to the share of currently operational United Nations Development Assistance Frameworks and integrated strategic frameworks, in which they participate at the country level.

Current statistics on agency participation in United Nations Development Assistance Frameworks are provided by the United Nations Development Operations Coordination Office.

Participating United Nations entities

All United Nations Development Group member entities are expected to participate in the cost-sharing of the resident coordinator system: the Food and Agriculture Organizations of the United Nations, IFAD, the International Labour Organization, the International Organization for Migration, the International Telecommunication Union, the Joint United Nations Programme on HIV/AIDS, UNDP, the United Nations Educational, Scientific and Cultural Organization, the United Nations Population Fund, the Office of the United Nations High Commissioner for Refugees, the United Nations Children's Fund, the United

[2] See table 4.

Nations Industrial Development Organization, the United Nations Office for Project Services, the United Nations Secretariat,[3] the United Nations Entity for Gender Equality and the Empowerment of Women, the World Tourism Organization, the World Food Programme, the World Health Organization and the World Meteorological Organization.

United Nations entities joining the United Nations Development Group in the wake of the Group membership reform will be expected to contribute, starting in the year that they become members or at the first budgetary opportunity thereafter.

[3] The United Nations Secretariat represents 14 members of the United Nations Development Group. They are: the Office of the United Nations High Commissioner for Human Rights, the United Nations Conference on Trade and Development, the Department of Economic and Social Affairs, the Economic Commission for Africa, the Economic Commission for Europe, the Economic Commission for Latin America and the Caribbean, the Economic and Social Commission for Asia and the Pacific, the Economic and Social Commission for Western Asia, the United Nations Environment Programme, the United Nations Human Settlements Programme, the United Nations Office on Drugs and Crime, the Office of the High Representative for the Least Developed Countries, Landlocked Developing Countries and Small Island Developing States, the Office of the Special Adviser on Africa and the Office of the Special Representative of the Secretary-General for Children and Armed Conflict.

Table 1

United Nations Development Group member statistics[a]

(United States dollars)

UNDG member	*Average expenditure, 2012-2013 (excluding humanitarian)*	*Share of UNDG expenditure, 2012-2013 (excluding humanitarian) (percentage)*	*Staff count, 2013 (excluding humanitarian)*	*Share of UNDG staff count, 2013 (excluding humanitarian) (percentage)*	*Number of UNDAFs, 2013*	*Share of UNDG UNDAFs, 2013 (percentage)*
FAO	946 875	4.9	2 263	6.3	112	6.8
IFAD	186 533	1.0	510	1.4	36 (34)[b]	2.2
ILO	676 538	3.5	2 287	6.4	105	6.3
ITU	217 068	–	752	–	10	–
UNAIDS	205 254	1.1	673	1.9	93	5.6
UNDP	5 244 443	27.1	6 285	17.5	122	7.4
UNESCO	810 019	4.2	2 038	5.7	112	6.8
UNFPA	862 025	4.4	1 784	5.0	122	7.4
UNHCR	–	0.0	–	0.0	91	5.5
UNICEF	2 933 864	15.1	6 191	17.2	122	7.4
UNIDO	323 060	1.7	617	1.7	89	5.4
UNOPS	327 175	1.7	341	1.0	32	1.9
United Nations Secretariat	4 186 239	21.6	7 023	19.6	318	19.2
UN-Women	249 993	1.3	543	1.5	94	5.7
UNWTO	24 507	–	96	–	7	–
WFP	438 983	2.3	411	1.1	85	5.1
WHO	1 992 108	10.3	4 954	13.8	122	7.4
WMO	89 362	–	280	–	4	–
Subtotal	**19 714 044**	**100.0**	**37 049**	**100.0**	**1 676**	**100.0**
Deductions	330 937		1 128		21	
Total	**19 383 107**	**100.0**	**35 921**	**100.0**	**1 655**	**100.0**

Note: The 2012-2013 statistics provided by United Nations entities to the United Nations System Chief Executives Board for Coordination were the latest available complete set of statistics available as at the end of 2014, when the calculations for the 2016-2017 funding cycle needed to be submitted to the respective agency governing bodies.

Abbreviations: UNDG, United Nations Development Group; UNDAFs, United Nations Development Assistance Frameworks; FAO, Food and Agriculture Organization of the United Nations; IFAD, International Fund for Agricultural Development; ILO, International Labour Organization; ITU, International Telecommunication Union; UNAIDS, Joint United Nations Programme on HIV/AIDS; UNDP, United Nations Development Programme; UNESCO, United Nations Educational, Scientific and Cultural Organization; UNFPA, United Nations Population Fund; UNHCR, Office of the United Nations High Commissioner for Refugees; UNICEF, United Nations Children's Fund; UNIDO, United Nations Industrial Development Organization; UNOPS, United Nations Office for Project Services; UN-Women, United Nations Entity for Gender Equality and the Empowerment of Women; UNWTO, World Tourism Organization; WFP, World Food Programme; WHO, World Health Organization; WMO, World Meteorological Organization.

[a] Based on submissions to the United Nations System Chief Executives Board for Coordination for 2012-2013.

[b] Number in brackets reflects adjusted figure.

Table 2
United Nations Development Group member contributions, 2016
(United States dollars)

UNDG member	Step 1: Base fee	Step 2: Agency size		Step 3: System load	Total contribution 2016	Share of total
		(a) Expenditure (excluding humanitarian)	(b) Staff count (excluding humanitarian)			
FAO	350 000	379 721	489 787	1 052 072	2 271 580	6.4
IFAD[a]	175 000	74 805	110 361	338 166	698 331 (679 931)	2.0
ILO	350 000	271 309	494 891	986 318	2 102 518	5.9
ITU	100 000	–	–	–	100 000	0.3
UNAIDS	175 000	82 312	145 633	873 596	1 276 541	3.6
UNDP[b]	350 000	2 103 156	1 360 031	1 146 007	4 959 195	13.9
UNESCO	350 000	324 838	441 009	1 052 072	2 167 920	6.1
UNFPA	350 000	345 694	386 046	1 146 007	2 227 747	6.2
UNHCR	350 000	–	–	854 809	1 204 809	3.4
UNICEF	350 000	1 176 555	1 339 643	1 146 007	4 012 205	11.2
UNIDO	175 000	129 555	133 515	836 022	1 274 092	3.6
UNOPS	350 000	131 205	73 863	300 592	855 661	2.4
United Nations Secretariat	350 000	1 678 789	1 519 730	2 987 134	6 535 653	18.3
UN-Women	175 000	100 253	117 502	882 989	1 275 744	3.6
UNWTO	100 000	–	–	–	100 000	0.3
WFP	350 000	176 043	89 019	798 448	1 413 510	3.5
WHO	350 000	798 886	1 072 095	1 146 007	3 366 989	9.4
WMO	100 000	–	–	–	100 000	0.3
Total	**4 850 000**	**7 773 124**	**7 773 124**	**15 546 248**	**35 942 495**	**100.0**

Abbreviations: UNDG, United Nations Development Group; FAO, Food and Agriculture Organization of the United Nations; IFAD, International Fund for Agricultural Development; ILO, International Labour Organization; ITU, International Telecommunication Union; UNAIDS, Joint United Nations Programme on HIV/AIDS; UNDP, United Nations Development Programme; UNESCO, United Nations Educational, Scientific and Cultural Organization; UNFPA, United Nations Population Fund; UNHCR, Office of the United Nations High Commissioner for Refugees; UNICEF, United Nations Children's Fund; UNIDO, United Nations Industrial Development Organization; UNOPS, United Nations Office for Project Services; UN, United Nations; UN-Women, United Nations Entity for Gender Equality and the Empowerment of Women; UNWTO, World Tourism Organization; WFP, World Food Programme; WHO, World Health Organization; WMO, World Meteorological Organization.

[a] The IFAD adjusted contribution based on participation in 34 United Nations Development Assistance Frameworks in 2013 is reflected in brackets.

[b] The UNDP contribution to the United Nations Development Group cost-sharing modality comes in addition to UNDP funding of the resident coordinator system "backbone", which amounts to approximately $88 million annually.

Table 3
United Nations Development Group member contributions, 2017
(United States dollars)

		Step 2: Agency size				
UNDG member	*Step 1: Base fee*	*(a) Expenditure (excluding humanitarian)*	*(b) Staff count (excluding humanitarian)*	*Step 3: System load*	*Total contribution 2017*	*Share of total*
FAO	350 000	395 084	509 603.34	1 094 639	2 349 326	6.3
IFAD[a]	175 000	77 831	114 825.68	351 848	719 505 (700 360)	1.9
ILO	350 000	282 286	514 914.39	1 026 224	2 173 424	5.8
ITU	100 000	–	–	–	100 000	0.3
UNAIDS	175 000	85 642	151 524.87	908 941	1 321 108	3.6
UNDP[b]	350 000	2 188 249	1 415 057.70	1 192 374	5 145 681	13.8
UNESCO	350 000	337 981	458 852.44	1 094 639	2 241 472	6.0
UNFPA	350 000	359 681	401 664.75	1 192 374	2 303 720	6.2
UNHCR	350 000	–	–	889 394	1 239 394	3.3
UNICEF	350 000	1 224 157	1 393 844.26	1 192 374	4 160 376	11.2
UNIDO	175 000	134 797	138 916.56	869 847	1 318 560	3.5
UNOPS	350 000	136 514	76 851.47	312 754	876 119	2.4
United Nations Secretariat	350 000	1 746 712	1 581 217.22	3 107 992	6 785 921	18.2
UN-Women	175 000	104 310	122 255.58	918 715	1 320 280	3.5
UNWTO	100 000	–	–	–	100 000	0.3
WFP	350 000	183 166	92 620.39	830 753	1 456 539	3.9
WHO	350 000	831 209	1 115 471.84	1 192 374	3 489 055	9.4
WMO	100 000	–	–	–	100 000	0.3
Total	**4 850 000**	**8 087 621**	**8 087 621**	**16 175 241**	**37 200 482**	**100.0**

Abbreviations: UNDG, United Nations Development Group; FAO, Food and Agriculture Organization of the United Nations; IFAD, International Fund for Agricultural Development; ILO, International Labour Organization; ITU, International Telecommunication Union; UNAIDS, Joint United Nations Programme on HIV/AIDS; UNDP, United Nations Development Programme; UNESCO, United Nations Educational, Scientific and Cultural Organization; UNFPA, United Nations Population Fund; UNHCR, Office of the United Nations High Commissioner for Refugees; UNICEF, United Nations Children's Fund; UNIDO, United Nations Industrial Development Organization; UNOPS, United Nations Office for Project Services; UN, United Nations; UN-Women, United Nations Entity for Gender Equality and the Empowerment of Women; UNWTO, World Tourism Organization; WFP, World Food Programme; WHO, World Health Organization; WMO, World Meteorological Organization.

[a] The IFAD adjusted contribution based on participation in 34 United Nations Development Assistance Frameworks in 2013 is reflected in brackets.

[b] The UNDP contribution to the United Nations Development Group cost-sharing modality comes in addition to UNDP funding of the resident coordinator system backbone, which amounts to approximately $90 million annually.

United Nations A/72/337/Corr.1

General Assembly

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26 September 2017

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Seventy-second session
Agenda item 136
Proposed programme budget for the biennium 2018-2019

Proposed United Nations Secretariat contribution to the United Nations Development Group cost-sharing arrangement for the resident coordinator system

Report of the Secretary-General

Corrigendum

Annex, table 1

For (United States dollars) *read* (Thousands of United States dollars).

17-16960 (E) 260917

Please recycle

United Nations A/72/338*

General Assembly

Distr.: General
15 August 2017

Original: English

Seventy-second session
Item 137 of the provisional agenda**
Proposed programme budget for the biennium 2018-2019

Seismic mitigation retrofit and life-cycle replacements project at the Economic and Social Commission for Asia and the Pacific premises in Bangkok

Report of the Secretary-General

Summary

In section IV of its resolution 71/272, the General Assembly authorized the activities related to all phases of the seismic mitigation retrofit and life-cycle replacements project at the premises of the Economic and Social Commission for Asia and the Pacific in Bangkok, and requested the Secretary-General to submit a progress report to it at the main part of its seventy-second session, outlining, inter alia, project expenditure and total costs of the project.

The present report provides an update on the progress made on the project since the previous report of the Secretary-General (A/71/333), including verification of the initial seismic design, establishment of the stakeholders committee as a key aspect of the overall governance structure, recruitment of the dedicated project management team and sourcing of the lead architectural consultancy services and the independent risk management consultancy services. In addition to seismic mitigation, information on several other design objectives of the project is contained in the report, including space efficiency, energy efficiency and accessibility to persons with disabilities.

The project is on track, with construction estimated to be completed in 2023 within the overall estimated maximum cost of $40,019,000, with minor revisions to the overall cost plan.

It is recommended that the General Assembly take note of the report, take note of the revised project cost plan, approve the establishment of two temporary positions in the project management team and appropriate an amount of $4,116,858 for the project for 2018.

* Reissued for technical reasons on 26 September 2016.
** A/72/150.

17-14069* (E) 270917

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I. Introduction

1. The present progress report is submitted pursuant to section IV of General Assembly resolution 71/272, in which the Assembly approved option C for the seismic mitigation retrofit and life-cycle replacements project at the premises of the Economic and Social Commission for Asia and the Pacific (ESCAP) in Bangkok and the proposed scope, time frame, implementation plan and estimated maximum cost of $40,019,000, and requested the Secretary-General to submit to the Assembly at the main part of its seventy-second session a progress report on the implementation of the project, outlining, inter alia, project expenditure and total cost. The report provides an update on the progress made on the project since the previous report of the Secretary-General (A/71/333).

2. The project continues to be implemented in accordance with the previously reported project objectives, with recent developments addressing key accessibility and seismic issues to ensure that the facility meets modern-day life-safety seismic performance objectives, as well as move the facility towards a more inclusive and accessible compound for all persons. The recent refinement and vetting of the seismic structural design by the consultant hired by ESCAP confirmed that the approach to addressing the life-safety deficiencies is appropriate.

3. The present report summarizes the planning and related actions for the project to date and presents an update on: (a) cooperation with Member States and the host Government; (b) project governance, including the stakeholders committee, the working groups and the working relationship with the Office of Central Support Services of the Secretariat; (c) recruitment of the dedicated project team and reassessment of required skills; (d) project progress; (e) the steps being taken to ensure an inclusive and accessible ESCAP facility; (f) further development and finalization of the seismic design; (g) application of lessons learned through collaboration with Headquarters and the host country and follow-up of the recommendations of the Office of Internal Oversight Services; and (h) a revised overall cost estimate based on actual incurred costs and the latest surveys, estimates, analysis and design information.

4. The report also provides information requested by the General Assembly in paragraphs 8, 10, 13, 17, 23 and 24 of section IV of its resolution 71/272, including, inter alia, detailed information on future rental income, energy efficiency considerations, voluntary and in-kind contributions from Member States and measures to mitigate risks, including those associated with currency exchange rates.

II. Progress made during the reporting period

A. Cooperation with Member States and the host Government

Member States

5. ESCAP has briefed and solicited voluntary contributions from Member States on a regular basis. The Commission gave presentations to meetings of the Advisory Committee of Permanent Representatives and Other Representatives Designated by Members of the Commission on 20 January and 30 June 2017 and sent a note verbale to Committee members on 12 January 2017, informing them that the Division of Administration of ESCAP was available to provide detailed information on the project so that Member States could easily identify ways to support the project.

6. ESCAP has also sought contributions of expertise in the form of Junior Professional Officers or staff provided on non-reimbursable loans. ESCAP published a request for Junior Professional Officers in a select range of job families and skill sets on the website of the Department of Economic and Social Affairs of the Secretariat in July 2017 and made a similar request to members of the Advisory Committee of Permanent Representatives on 30 June 2017. ESCAP will review the responses and follow up further with those Member States offering support.

Host country relations

7. ESCAP has continued to engage with the Ministry of Foreign Affairs of the host country to seek its assistance and support for the project. Since the previous report, several meetings have been held between the Division of Administration of ESCAP and the Department of International Organizations of the Ministry of Foreign Affairs of the host country (on 17 June and 11 November 2016 and 30 January, 27 March and 21 June 2017). ESCAP has continued to request support from the Ministry with regard to provisional office space to be used as swing space to temporarily accommodate United Nations staff during the project implementation as well as the possibility of in-kind contributions.

8. During the reporting period, the host country advised ESCAP that the proposed swing space, Building "BC" of the Government Complex at Chaeng Wattana, located approximately 30 kilometres north of ESCAP, was no longer available. The host country suggested an alternative solution in the same area, and discussions of the particulars of the proposal are ongoing.

9. The host country has facilitated coordination between ESCAP and relevant authorities in support of the project by organizing an inter-agency meeting on 27 March 2017 with the Bangkok Metropolitan Authority, the Department of Public Works and Town and Country Planning of the Ministry of the Interior and the Department of Protocol and the Department of International Organizations of the Ministry of Foreign Affairs. The host country also provided information and clarification on rules and regulations relating to implementation of the project.

10. In terms of sharing knowledge and best practices, the host country has proactively supported ESCAP in liaising with various local entities. The Ministry of Foreign Affairs organized a visit on 12 May 2017 to a large multinational company with headquarters in Thailand that has platinum certification in Leadership in Energy and Environmental Design. The ESCAP team learned of the innovative approaches to facility management, change management and technological upgrades adopted by this firm (see also para. 21 below). The host country also facilitated a meeting on 21 June 2017 with the Secretary-General of Thailand's Council of Engineers, where knowledge was shared with the ESCAP team on best practices in seismic retrofitting and construction management in Thailand.

11. Discussions with the host country are ongoing concerning the possibility of the Ministry of Foreign Affairs, the Council of Engineers and other competent agencies in the host country providing technical and general advice to ESCAP as part of the host country's in-kind contributions to the project.

B. Project governance

12. In accordance with the overall project governance structure set out in the previous report of the Secretary-General, which remains unchanged, the project owner is the Executive Secretary of ESCAP. The Executive Secretary has designated the Director of Administration at ESCAP to manage oversight and governance of the project, liaison and interaction with internal and external

stakeholders and strategic issues requiring senior-level decision-making. The day-to-day project execution is under the leadership of the dedicated Project Manager.

Stakeholders committee

13. The stakeholders committee was established in January 2017; the first meeting was held on 17 February 2017. The stakeholders committee meets for ordinary or extraordinary ad hoc meetings. Ordinary meetings will be held on a quarterly basis until completion of the project, scheduled for 2023. The schedule of meetings will be set at the start of each calendar year and coordinated by the Project Manager.

14. The project owner serves as the chair of the stakeholders committee. The role of the committee is to provide advice and guidance on the project to the project owner.

15. Working groups have been established within the stakeholders committee covering the themes of sustainability, accessibility and occupational health and safety. A fourth working group has been established to inform and engage with tenants regarding office relocation and logistic details so as to minimize the impact on tenant agency operations. This working group will function as an adjunct to the operations management team, an existing group that includes all tenant agencies and typically meets every two months at ESCAP. The next stakeholders committee meeting is scheduled for late August 2017.

Coordination and oversight by the Office of Central Support Services at Headquarters

16. The Office of the Director of Administration at ESCAP coordinates with the Office of Central Support Services at Headquarters through quarterly video conferences and through bilateral discussions as necessary.

17. The Overseas Property Management Unit of the Office of Central Support Services is closely engaged with the ESCAP dedicated project management team by means of fortnightly coordination meetings regarding project execution, monitoring and oversight. This collaboration also facilitates the sharing of best practices and lessons learned from various global capital projects undertaken by the Secretariat and enables the team to identify potential project risks at an early stage.

18. An administration and coordination agreement was concluded between the Office of Central Support Services and ESCAP in June 2017. This document defines clearly the reporting structure, roles and responsibilities and administrative arrangements for the project between Headquarters and ESCAP to ensure that robust internal project control and quality assurance mechanisms are in place.

C. Local knowledge and lessons learned

19. In its resolution 71/272, the General Assembly requested the Secretary-General, through the Office of Central Support Services, to take into account lessons learned and best practices from past construction and renovation projects in implementing the seismic mitigation project, and in particular to draw from experience and know-how acquired from other capital projects. Moreover, the Assembly encouraged the Secretary-General to include local knowledge, technology and capacity throughout the implementation of the project. The actions taken in this respect are detailed thematically below.

Accessibility, space planning and change management

20. With regard to accessibility, ESCAP drew on its internal resources, specifically the Social Development Division, and simultaneously reached out to the Office Central Support Services, the Special Rapporteur of the Human Rights Council on the rights of persons with disabilities and the Committee on the Rights of Persons with Disabilities to conduct a compound-wide accessibility assessment at ESCAP premises between 19 June and 7 July 2017. Feedback is being solicited to ensure that ESCAP is following United Nations and global best practices with regard to meeting the requirements of General Assembly resolution 70/170 on an inclusive and accessible United Nations for persons with disabilities.

21. Additionally, with support from the host country, ESCAP personnel visited the premises of a 100-year-old local company with over 55,000 employees, 8,000 of whom are based at the company's headquarters in Bangkok. The headquarters recently underwent a major renovation, including the upgrading of two existing 10-story towers as well as the construction of a new 22-story tower. This renovation project included sustainable design and revised work space planning. Recognizing that there would be resistance to relocating office spaces, the company's management team opted to renovate the existing offices, employing space efficiency measures, as a key change management approach. ESCAP is considering this approach in the development of the project's change management strategy.

22. The facilities director of the local company presented its approach to managing a changing workforce on 20 June 2017 at the International Annual Meeting on Language Arrangements, Documentation and Publications hosted by ESCAP and attended by several staff members of the ESCAP Division of Administration.

23. Additionally, the local company's change to more efficient workspace layouts involved an increase in vertical circulation demands, which led the company to conduct an extensive analysis and to modify its vertical circulation operations. ESCAP has started a vertical circulation study for the secretariat building as a result of this shared local experience.

24. Regarding change management strategies, as coordinated by the Office of Central Support Service, ESCAP is studying lessons learned from the capital master plan and flexible workplace strategies in New York, and "smart working" in Geneva, to implement a new workplace strategy in Bangkok. This strategy will be one of the most significant and visible initiatives to be undertaken by ESCAP, complementing other ongoing business transformation initiatives.

Flexible workplace strategy

25. ESCAP is redesigning the office layouts for the fourteenth floor of the secretariat building to incorporate more open and office informal spaces than the existing layout. This will then serve as a pilot project for implementing flexible workplace strategies based on United Nations best practices, stakeholder feedback and local context. The completed office renovation will be showcased to staff at large to gather their feedback, which will inform the design of a long-term flexible workplace solution. In this regard, ESCAP has reached out to the Office of Central Support Services for guidance on the best practices employed by the United Nations worldwide.

26. Concurrently, ESCAP is preparing to conduct a space utilization study, similar to those carried out at the United Nations offices in New York, Geneva and Vienna. This study will provide key data on the frequency and type of use of existing spaces, which will be used to inform the long-term flexible workplace solution.

Energy efficiency and greening

27. In its resolution 71/272 (section IV, paragraph 10), the General Assembly stressed the importance of including energy efficiencies in the project planning and implementation. ESCAP made inquiries to the local company referred to in paragraph 21 above regarding its energy-efficiency initiatives and its decision to pursue Leadership in Energy and Environmental Design certification, which is the prevailing local practice. ESCAP is currently evaluating whether Leadership in Energy and Environmental Design is an appropriate green building rating system to be applied to the seismic project.

Availability of local materials and construction techniques

28. On 21 June 2017, the Secretary-General of Thailand's Council of Engineers met with an ESCAP team to share information on engineering and construction best practices in Thailand and the recent seismic retrofit project of a local bank headquarters, with particular emphasis on the use of new materials and construction techniques available in Thailand.

29. ESCAP is continuing its engagement with local universities and the Asian Institute of Technology concerning the seismic design, risk assessment and supervision of the construction works.

D. Project management

Project team

30. In its resolution 71/272 (section IV, paragraph 20), the General Assembly approved the establishment of five temporary positions based in Bangkok (1 P-5, 1 P-4, 2 P-3 and 1 Local level) related to the dedicated project management team and project support staff. The recruitment process for those positions has been completed. ESCAP conducted extensive outreach to attract qualified female candidates, sending emails to engineering societies, focal points for women and engineering universities and utilizing recruitment tools such as Linkedin and other social media venues. These outreach efforts resulted in the selection of female candidates for the positions of Procurement Officer at the P-3 level, Civil and Structural Engineer at the P-3 level and Project Manager at the P-5 level. In addition, ESCAP has filled the positions of Project Engineer (P-4) and Project Administrative Assistant (Local level). All of these project staff are already on the ground and contributing to the development of the project with the exception of the Project Manager, who will formally join the team on 1 September 2017.

31. The Project Coordinator (P-4) to be located in the Office of the Central Support Services at Headquarters, whose funding will be cost-shared with the Africa Hall project of the Economic Commission for Africa is expected to be recruited by September 2017. Given that the Africa Hall project is scheduled for completion in 2021, while the seismic project will continue through 2023, cost-sharing arrangements will be reviewed again by the Secretariat near the scheduled completion date of the Africa Hall project.

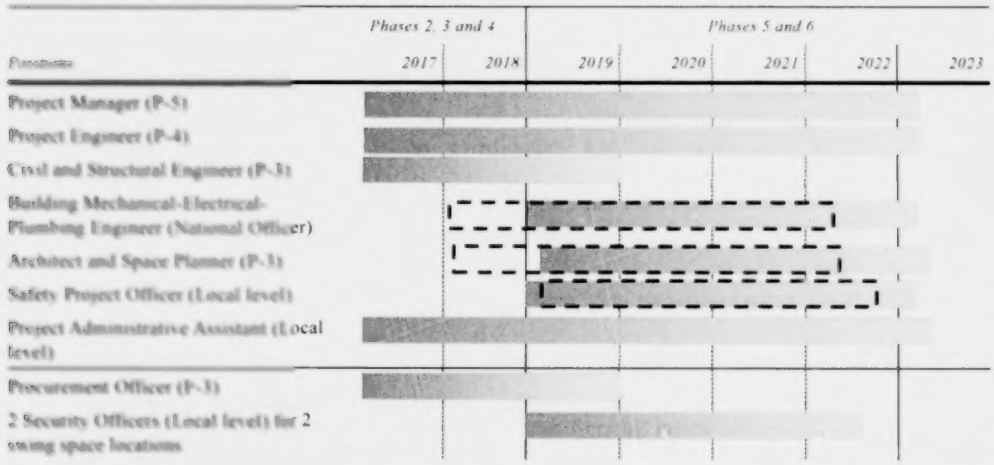
32. ESCAP is continuously reviewing the workload and resource requirements in the current and upcoming phases of the project in accordance with section IV, paragraph 23 of General Assembly resolution 71/272, in which the Assembly requested the Secretary-General to ensure that resource requirements at each stage of the project are based on a thorough review of actual and up-to-date needs on the ground.

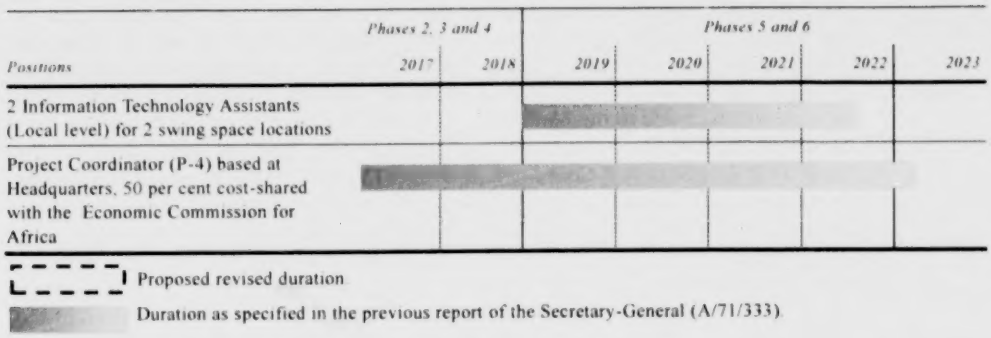
33. In 2018, with the lead consultant firm on board, the work will be focused on the design of the project life-cycle elements, space programming and planning and change management strategy. To provide for effective oversight and monitoring of the lead consultant firm's activities, ESCAP proposes that the following minor adjustments be made to the parameters of the project team as set out in the previous report of the Secretary-General (see A/71/333, sect. V.C and annex III): (a) the position of Logistics and Coordination Officer (National Officer) would be changed to Architect and Space Planner (P-3) with an identical duration of four years and six months, but starting in January 2018 instead of January 2019 and ending in June 2022 instead of June 2023; (b) the work of the Building Mechanical-Electrical-Plumbing Engineer (National Officer) would start in January 2018 instead of January 2019 and end in June 2022 instead of June 2023; and (c) the duration of the Safety Project Officer (Local level) position would be reduced by six months, as this position is not needed during the defect liability period (that is, the first half of 2023).

34. The reason for changing the position of Logistics and Coordination Officer (National Officer) to Architect and Space Planner (P-3) relates to the level of responsibility and the technical skills required to develop and manage the implementation of the flexible workplace change management strategy. This change is also the result of discussions with the Office of Central Support Services regarding lessons learned from other capital projects. Given that, aside from the life-safety issues, the reconfiguration and modernization of the office environment will be the most significant and impactful aspect of the project overall, this role is considered essential. The incumbent of this position will also have the expertise required to cover the functions previously envisaged for the Logistics and Coordination Officer, mainly construction supervision and coordination of moves to and from swing space.

35. The changes proposed above will be cost-neutral overall. The total project management cost plan remains unchanged at $4,879,000, as approved by the General Assembly in section IV of resolution 71/272. Figure I shows the proposed staffing table and the updated duration. The proposed changes are also reflected in the project team structure shown in annex I to the present report.

Figure I
Duration of project staff




Phases 2, 3 and 4
Phases 5 and 6
Positions
2017
2018
2019
2020
2021
2022
2023
2 Information Technology Assistants (Local level) for 2 swing space locations
Project Coordinator (P-4) based at Headquarters, 50 per cent cost-shared with the Economic Commission for Africa
Proposed revised duration
Duration as specified in the previous report of the Secretary-General (A/71/333)

E. Internal project quality assurance system

36. The seismic mitigation retrofit and life-cycle replacement project is the largest and the most complex capital project implemented by ESCAP. To date, ESCAP has embarked on renovation projects of a minor nature in which construction work can be done at night and/or without substantial displacement of tenants or disruption of operations. In contrast, the seismic mitigation is a major renovation project in which construction work will have to be done during business hours and will require displacing the majority of staff during the construction schedule. According to the risk matrix shown in table 5 in the previous report of the Secretary-General (A/71/333), the major risk facing the project relates to business continuity, or the ability to perform the project with minimal impact to ESCAP and tenant operations.

37. The major physical constraints facing this project include the location of a densely populated compound on a small site where adequate on-site swing space must be provided concurrently with several construction activities, including activities outside the scope of the project. The other construction activities in the ESCAP premises include a new security entry-point building, a new library building, a conference room upgrade project and other minor construction renovations. Coupling these physical constraints with the multiplicity of stakeholders, means that the seismic mitigation project must establish a standardized reporting structure to effectively coordinate and communicate across a wide range of stakeholders.

38. To mitigate the risks, and to minimize delays in construction and disturbances to tenants, ESCAP intends to have the seismic mitigation project set up a standard reporting protocol for all construction and infrastructure projects on the premises.. The implementation of this system requires a short-term consultant to establish and build the capacities and capabilities of the United Nations team across administrative sections, including the seismic mitigation project team and stakeholders such as the such as the facilities and conference management units and the information technology and security sections of ESCAP.

F. Risk management

Independent risk management firm

39. In line with General Assembly resolution 71/272 (section IV, paragraph 14), the Office of Central Support Services is in the process of procuring the services of an independent risk management firm. The firm will report directly to the Office of Central Support Services and will provide advice on the establishment of a project-specific risk management framework as well as qualitative and quantitative risk

analysis, including regular updates of the project risk register. Risk models will be used to determine whether the available contingency funding is adequate to cover foreseeable risks. The costs of these services will be borne by the project and will be shared with the Africa Hall renovation project at the Economic Commission for Africa.

40. The procurement action, conducted from New York, commenced in early 2017 with the launching of a global expression of interest. Eleven international firms responded to the expression of interest and seven firms submitted proposals. At the time of drafting of the present report, the process was in the final stages and the contract award was imminent.

Integrated risk management

41. Integrated risk management is performed at the local level by the ESCAP dedicated project management team, supported by the lead consultant firm. integrated risk management involves a carefully structured approach to project risk and opportunity which facilitates objective decision-making to mitigate risks and take full advantage of opportunities. The lead consultant firm will support ESCAP, in coordination with the independent risk management firm, during the different project phases, including design, tendering and construction. Risk management will include change-order management and control as well as contract, cost and budget management.

Risk register

42. At the outset of the project, ESCAP has established a risk register that is constantly updated at the weekly meetings. Each risk has a unique identification number and an indication of the date, the stakeholder who raised it, its description (cause and event), the impact, the likelihood of occurrence, the risk owner, the mitigation measure (actions and effect), the status and the follow-up. All risks are monitored and controlled by the project team. The six risks that the team deems most relevant at the current stage of the project are described below.

Risks associated with currency exchange rates

43. At all stages of project planning, special emphasis is placed on managing the risk associated with currency exchange rates. Major project expenses, such as the contract with the construction contractor, are expected to be incurred in United States dollars, thereby avoiding currency exchange risks altogether. The design contract will likely be denominated in euros, but since is it not the largest project cost the degree of risk will be modest. This item will be tracked closely and included in future progress reports. The Thai baht will likely be used only for smaller contracts, such as those for soil investigation, accessibility assessment and invasive testing; the currency risk for these items is expected to remain low.

Risks of underestimation of design costs

44. To protect the Organization against the risk of increases in design costs, ESCAP has included specific clauses in the request for proposal indicating that the project must be developed and executed within the strict parameters of a cost-effective design and accelerated construction schedule; it is specifically contractually noted that the scope of work must be within the available budget approved by the General Assembly. As stipulated in the scope of work for the lead consultant firm, compliance with this requirement may require the firm to redesign at no additional cost to ESCAP, if construction cost estimates exceed the available budget.

Risks of loss of rental income

45. ESCAP continues its strong outreach to tenant agencies in the operations management team, engaging with them on a regular basis to dispel concerns related to the project.

46. Market research on commercial rental rates in Bangkok was performed in 2016 for use in the biennium 2018-2019. ESCAP proposes to maintain the 2016-2017 rentals rates for the biennium 2018-2019 to discourage tenants from seeking accommodations elsewhere during the project. This approach will encourage tenants to continue cohabiting with other members of the United Nations family and will facilitate their budget planning during the initial project development phase. It will mitigate their risks and increase their confidence in continuing their operations within ESCAP, where they can benefit from the varied portfolio of security, medical, banking, postal, learning centre and cafeteria services, as well as easy access to the United Nations Conference Centre and networking with other United Nations agencies. ESCAP will conduct another market study in 2018 to set rates for 2020-2021, thus enabling tenants to plan and budget in a timely manner. More information on the expected rental income, as requested by the General Assembly in paragraph 8 of section IV of resolution 71/272, is provided in paragraphs 64 to 67 below.

47. ESCAP, along with the lead consultant firm, will review the construction and relocation methodologies with a view to having all swing space on-site, within the ESCAP premises, in order to ensure that the project follows the most efficient and cost-effective methodology and causes the least disruption to tenant operations.

Risk of not managing the project efficiently

48. ESCAP has introduced a quality assurance system to ensure that all potential conflicts, duplications and interactions of the seismic project with other ESCAP facility projects are taken into consideration to eliminate redundancies and increase efficiencies.

Risk related to possible non-availability of swing space

49. ESCAP has sought support from the host country to provide swing space (refer to paragraphs 7 and 8 above) and has engaged a local firm to investigate the costs and availability of commercially rented office space in the local real estate market.

Risk of civil unrest and natural disaster

50. The Department of Safety and Security is to monitor and advise in the event of deterioration of the surrounding environment which may affect the project. As some events may occur without prior warning, ESCAP has asked all vendors to include such events in their risk matrix together with mitigating measures such as the use of alternative supply routes or warehousing to avoid delays.

G. Procurement

51. ESCAP started immediately in 2017 to acquire the various consultancy services that were approved by the General Assembly in resolution 71/272.

Lead consultant firm

52. Acquisition of the services of a lead consultant firm is one of the critical requirements of the project. The Secretary-General is pleased to advise that the procurement action is progressing as planned.

53. With the early onboarding of the dedicated procurement officer, ESCAP was able to carry out strategic market research and concerted outreach by sharing details of the project and the expression of interest with Member States, the Advisory Committee of Permanent Representatives, the Ministry of Foreign Affairs of Thailand, chambers of commerce and professional bodies, local newspapers, the United Nations Global Marketplace and the Association of Siamese Architects (Thailand), with a view to reaching as many potential and eligible vendors as possible. As a result of this focused and targeted market outreach, ESCAP received responses from 31 companies representing 18 countries. A total of 63 vendors representing 23 countries (12 developed countries and 11 developing countries and countries with economies in transition) constituted the list of invitees for the request for proposals, which was issued in accordance with the agreed timelines on 17 March 2017. Technical and financial evaluations have been completed and, at the time of drafting of the present report, final steps in the award of the contract were under way. The contract is expected to be signed in the last quarter of 2017, in accordance with the project master plan.

H. Overall project design and integration of seismic design component

54. The seismic retrofit and life-cycle replacements project will be designed by the lead consultant firm within the strict parameters of cost-effective design and accelerated construction, within the budget set and the cost plans approved by the General Assembly. The lead consultant firm will initially develop a schematic design for ESCAP approval, then proceed with the design development and provision of a final construction package that meets all technical and regulatory criteria. The lead consultant firm will also review and integrate the seismic retrofit design for the secretariat and service buildings, developed by the Asian Institute of Technology, in the overall final construction documents for the project. The Asian Institute of Technology will be available to provide any clarifications and necessary amendments to the seismic design and will maintain responsibility for the seismic design throughout the project.

Seismic retrofit design

55. The Asian Institute of Technology has developed and refined the seismic design throughout the retrofit design process. Through the use of non-linear design analysis, the proportion of columns requiring retrofitting has been reduced from 20 per cent, as specified in the previous report of the Secretary-General (A/71/333, para. 22), to 15 per cent, which will reduce the construction costs accordingly. The projected financial gains will be finalized when the lead consultant firm has completed the overall design (anticipated in 2018) and integrated the seismic component in its methodology and project procurement documentation. In his next progress report the Secretary-General will inform the General Assembly of any cost reductions in that may be realized as a result of this factor.

56. The seismic retrofit design has been reviewed by the Civil and Structural Engineer hired for the project team. Through this review process, other minor adjustments to the design have been considered, reviewed for quality control by ESCAP and finalized by the seismic designer. The review further confirmed that the

approach of using carbon fibre-reinforced polymers on the columns is feasible and cost-effective.

Space efficiency and utilization

57. As previously reported (see A/71/333, paras. 34-37), ESCAP contracted a local architecture firm in 2015 to produce office space designs for the secretariat building. The study, concluded in the first quarter of 2016, highlighted that ESCAP could gain as much as 20 per cent in space efficiency if a renovation of the interior office space were to be implemented. In addition, because the office space would be converted from an enclosed to an open office layout, the new configuration would be well-suited to the adoption of flexible workplace strategies.

58. ESCAP has remained focused on this key change management area, building on the above-mentioned study and drawing on the experience of the Secretariat in New York and Geneva and the recent efforts of the United Nations Development Programme and the International Labour Organization in Bangkok. ESCAP has also engaged with the Ministry of Foreign Affairs of Thailand and is studying recent projects undertaken by commercial establishments in the Bangkok area to address similar issues. These observations, which provided some very encouraging possibilities for ESCAP to pursue, have been used to develop sample space layouts that will be tested as part of the proposed pilot project on the fourteenth floor of the ESCAP secretariat building (see para. 25 above). The project is currently in the initial planning stage. Feedback from staff and other users will be considered and changes incorporated in later trials. Once the trials are concluded in 2018, ESCAP will be in a position to better engage staff and tenants to develop the final space plans. This process will facilitate buy-in by staff and other users.

59. Detailed space programming has been included in the scope of work of the lead consultant firm as part of the detailed design of the life-cycle elements of the project. In particular, the space planning services focus on: (a) the short-term need to relocate staff members, meeting areas, commercial areas and related facilities to a temporary swing space during each phase of the project; (b) the long-term need to improve space efficiency by 20 per cent in accordance with the study concluded in the first quarter of 2016 (see A/71/333, para. 36); and (c) the potential increase of floor area without increase of footprint to be developed in the design phase.

Energy efficiency

60. The lead consultant firm is required to have an engineer expert in the area of building energy efficiency and sustainable design as part of its project management team. The first deliverable of the lead consultant firm is to review all existing project documentation, including the report on façade performance done in 2012 and mentioned in the previous report (A/71/333, paras. 38 and 39). The firm should examine the earlier findings, which suggested that improving the insulation and glazing for the secretariat building would result in a 16 to 18 per cent reduction in energy consumption.

61. The second deliverable of the lead consultant firm is to review all applicable standards, including those related to energy and water conservation, and to design the project to move towards more energy efficient-facilities, specifically by reducing energy consumption, fresh water consumption, waste generation and the use of non-renewable material resources, and by improving atmospheric and indoor air quality.

Accessibility

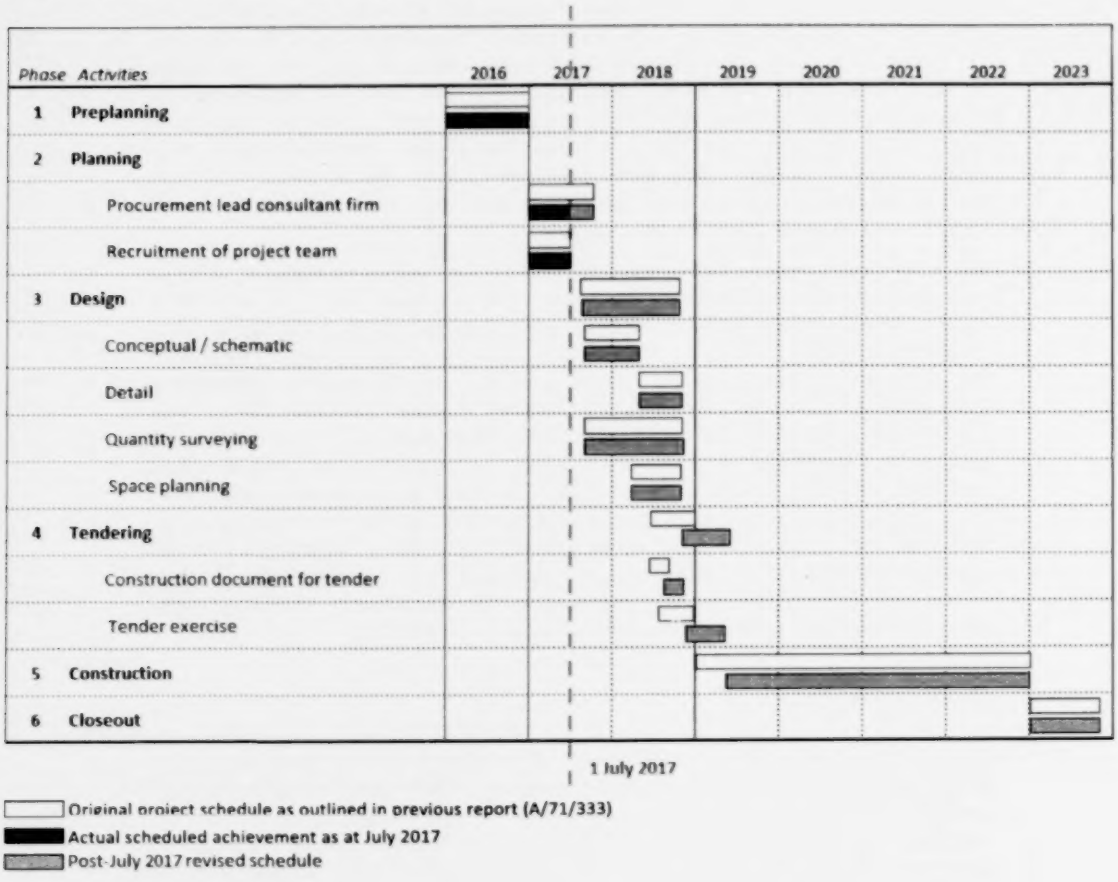
62. The project team has been collaborating with the Social Development Division of ESCAP to acquire experts on universal design and accessibility, with a view to bringing the project into line with the General Assembly's vision in resolution 70/170 of an inclusive United Nations for persons with disabilities. Through a series of conference calls and coordination meetings, the scope of work and the deliverables were defined. The first step in this process was to understand accessibility as stipulated in article 9 of the Convention on the Rights of Persons with Disabilities, which has three principal aspects: the built environment, information and communications technology and services. With that in mind, experts in these specific areas were contracted.

63. The team also looked inward to inform and engage tenants as well as stakeholders who are members of the Accessibility Working Group, which includes the Facilities Management Unit, the Conference Management Unit, the Security and Safety Section, the Social Development Division, the Human Resources Management Section (Learning Centre and Medical Centre), the Information Management, Communications and Technology Section and the International Labour Organization. In addition, a survey was sent to tenants to solicit information on how the various agencies address accessibility in their offices and what their best practices are with regard to accessible design. To date, the accessibility consultants have conducted an on-site assessment of the premises, which involved a survey of the built environment as well as interviews with various stakeholders to get feedback on how accessibility was, is and should be addressed within their operations. Stakeholders included members of the Accessibility Working Group, tenant agencies and staff members and visitors with disabilities.

I. Project schedule

64. Figure 2 shows the proposed project schedule as at 1 July 2017. The original project schedule as outlined in the previous report of Secretary-General (A/71/333) is shown by the white bars; the actual scheduled achievement as at July 2017 is shown by the black bars; and the post-July 2017 revised schedule is shown by the grey bars. It should be noted that all activities within the original project schedule been completed on time as at July 2017. For the post-July 2017 revised schedule, the overall project plan is mainly unchanged, with the exception of the tendering phase (phase 4). While the tendering phase has been revised to start three months later than originally projected, the revised schedule has a shorter construction phase (grey bar in the phase 5 row) and thus the original and revised project schedules still have the same overall duration. The revised schedule is in line with the proposed schedule for the lead consultant firm services currently in the procurement process.

Figure 2
Proposed project schedule as at 1 July 2017



J. Rental income

65. Rental income is primarily derived from rental of office space to United Nations agencies and other entities connected with the activities of ESCAP. Space is also rented for a bank, a travel agency, a post office, a cafeteria, two coffee shops and a canteen. The rent is based on current commercial values. The net rental amount is reported under income section 2.

66. The rental charge for 2016-2017 is $264 per annum per square metre for United Nations agencies, funds and programmes and $279.60 for commercial tenants. To facilitate tenants' budgetary planning, in the first year of a biennium the rate to be applied in the subsequent biennium is assessed and tenants are informed. In April 2017, following the evaluation undertaken in 2016, United Nations agencies, funds and programmes were informed that the rate to be applied in 2018-2019 would remain at $264 per annum per square metre. The income from rental of premises in 2018-2019 is estimated at $7,014,554, representing an increase of $779,680 compared to 2016-2017, mainly as a result of an overall increase in the rental space to be made available during the biennium.

67. Table 1 shows the estimated rental income per biennium during the proposed construction period and in 2024-2025, when space efficiency improvements will have provided additional area for rent. Should the development of flexible workplace strategies during the course of the project result in additional efficiencies (e.g., by accommodating the existing ESCAP secretariat staff within a smaller footprint), it may be possible to attract additional United Nations entities to the complex, resulting in additional rental income.

Table 1
Estimated rental income
(United States dollars)

	2016-2017	*2018-2019*	*2020-2021*	*2022-2023*	*2024-2025*
Rental rate (per annum per square metre)	264	264	To be evaluated in 2018	To be evaluated in 2020	To be evaluated in 2022
Rental income (based on current rental rate)	6 234 874	7 014 554	7 014 554	7 014 554	7 489 754[a]

[a] Includes an increase in income of $475,200 owing to space efficiency gains.

III. Project accountability

68. The Office of Internal Oversight Services (OIOS) of the Secretariat has included in its 2017 risk-based workplan a detailed audit of the Commission's seismic mitigation retrofit and life-cycle replacements project in compliance with paragraph 13 of section IV of General Assembly resolution 71/272, by which the Assembly requested the Secretary-General entrust OIOS with providing oversight of the project and to include information on key findings in the context of the annual reports of the Office on its activities.

69. OIOS conducted an onsite audit at the ESCAP premises in March and April 2017, the detailed results of which were communicated to ESCAP on 17 May 2017. The OIOS team noted with satisfaction the successful completion of the pre-planning activities of the project, which included visual inspections, feasibility studies and preliminary structural design using specialist staff and expert consultants.

70. OIOS also noted with satisfaction the completion of governance activities in March 2017, including the establishment of a well-defined coordination and support agreement between the Office of Central Support Services and ESCAP which included: (a) the early establishment of a dedicated project management team and support functions with clear reporting lines; (b) the establishment of a stakeholders committee to assist the Executive Secretary and Director of Administration in proactively managing the project; and (c) the inclusion of an independent risk management framework early in the project implementation process.

IV. Project expenditures and anticipated costs

A. Status and projection of project expenditures in 2017

71. The actual expenditures incurred as at 1 July 2017 and total projected expenditures for the year 2017 are shown in table 2.

Table 2
Status and projection of project expenditures in 2017
(United States dollars)

	Actual expenditures as at 1 July 2017	*Total projected expenditures in 2017*
Section 19 — Other staff costs		
Project management	217 012	527 340
Subtotal, section 19	**217 012**	**527 340**
Section 33 — Construction, alteration, improvement and major maintenance		
Seismic design	18 275	98 180
Accessibility review	41 000	41 000
Project quality assurance system	–	82 500
Subtotal, section 33	**59 275**	**221 680**
Total	**276 287**	**749 020**

72. Table 3 compares the planned cost for 2017, as contained in the previous report of the Secretary-General (A/71/333), with the projected expenditures for 2017 in the current report. The main variances are explained below:

(a) There is a projected increase of $21,740 in project management under section 19 owing to travel cost for two staff members from the United Nations Office at Nairobi and United Nations Headquarters to participate in the technical evaluation of the lead consultant firm. It was deemed necessary to include them in the technical evaluation team because internal technical capacity and experience in the area of major United Nations capital projects was not available locally;

(b) Resources will not be needed for the third-party peer review consultancy ($75,000) and optimized office space design ($150,000), as the required work has been included in the scope of the lead consultant firm;

(c) Expenditure of $41,000 was incurred to hire two consultants to conduct an accessibility assessment in compliance with paragraph 7 of section IV of General Assembly resolution 71/272;

(d) A total of $82,500 is required for the project quality assurance system, which will establish appropriate project management methodologies to ensure quality, timely and cost-effective delivery of the project;

(e) The previously estimated provision for escalation for 2017 is absorbed into the realized and projected costs for 2017, and it is projected that the appropriation for contingency costs for 2017 will not be utilized and can be carried over to 2018 in accordance with paragraph 16 of section IV of General Assembly resolution 71/272.

Table 3
Revisions to the cost plan for 2017
(United States dollars)

	Approved for 2017 (General Assembly resolution 71/272) (a)	*Revised cost plan for 2017* (b)	*Variance* (a)-(b)
Section 19 — Other staff costs			
Project management team	565 600	527 340	(21 740)
Total, section 19	**565 600**	**527 340**	**(21 740)**
Section 33 — Construction, alteration, improvement and major maintenance			
Consultancy fees			
Seismic design	100 000	98 180	1 820
Third-party peer review	75 000	–	75 000
Optimized office space design	150 000	–	150 000
Accessibility assessment	–	41 000	(41 000)
Project quality assurance system and training	–	82 500	(82 500)
Subtotal, consultancy fees	**325 000**	**221 680**	**103 320**
Escalation	13 000	–	13 000
Contingencies	33 800	–	33 800
Total, section 33	**371 800**	**221 680**	**150 120**
Grand total	**877 400**	**749 020**	**128 380**

B. Resource requirements for 2018

73. The resource requirements for 2018 are shown in tables 4 and 5.

Table 4
Resource requirements for 2018 by cost component
(United States dollars)

1. Trade costs	2 139 600
2. Consultancy fees	731 304
3. Escalation	238 820
4. Contingencies	333 122
5. Project management	674 011
Total	**4 116 857**

Table 5
Resource requirements for 2018 by budget section and object of expenditure
(United States dollars)

Budget section	*Object of expenditure*	*Amount*
Section 19, Economic and social development in Asia and the Pacific	Other staff cost	674 611
Section 33, Construction, alteration, improvement and major maintenance	Trade costs and consultant	3 442 246
Total		**4 116 857**

C. Resource requirements for 2019 and beyond, escalation and contingency

74. On the advice of a specialist consultant, allowance for escalation has been added to the construction costs and consultancy estimates at a rate of 4 per cent per annum, based on a forward projection of published data on recent past escalation rates. The baseline for the estimate is July 2017, and the estimated escalation is compounded and applied to the annual expenditure projections until the project is handed over to operations.

75. A complete quantitative analysis linking the actual contingency funding requirements with assessed risks will be performed once the independent risk management firm is brought on board, which is anticipated to occur in August 2017.

76. For the present report, and in line with the Guidelines for the Management of Construction Projects, the contingency provision has been developed following an identical approach to that employed for the previous report, on the basis of a traditional percentage method, taking into consideration past experience with similar projects and other variables that may have an impact on the accuracy of the project cost estimates, especially during the early stages of project planning, including the project size, the complexity and the location. Because the project involves the renovation of an existing occupied building, it is very likely that unforeseen conditions will be encountered and changes to the implementation plan may result. For planning purposes, and until the independent management firm is on board, a contingency provision of 10 per cent of the estimated construction cost of the project, inclusive of consultancy fees, has been included. The revised risk-based contingency requirements for each year will be included in the next report of the Secretary-General.

77. Contingency shall be carried over as indicated in resolution 71/272, section IV, para. 16, which reaffirmed that unused contingency funds may be carried over to subsequent years, reallocated as new risks emerge and older risks are retired, consistent with industry best practices, and that all remaining unused contingency funds shall be returned to Member States at the conclusion of the project.

V. Next steps

78. The actions to be undertaken during the next reporting period are:

(a) Commencement of design services with the lead consultant firm;

(b) Commencement of the change management and communication process related to swing space and flexible workplace strategies, including response to the results of the space utilization study;

(c) Review of the recommendations of the lead consultant firm and finalization of a construction methodology;

(d) Updating of project costs on the basis of the lead consultant firm's findings and recommendations and the adopted methodology;

(e) Development of a swing space and relocation methodology based upon the lead consultant firm's findings and recommendations; adjustment of procurement actions on the basis of the finalized methodology;

(f) Recruitment of members of the dedicated project management team scheduled for 2018, including the Architect and Space Planner (P-3) and the Building Mechanical-Electrical-Plumbing Engineer (National Officer).

VI. Recommended actions to be taken by the General Assembly

79. **The General Assembly is requested to:**

(a) Take note of the progress made since the issuance of the previous report of the Secretary-General;

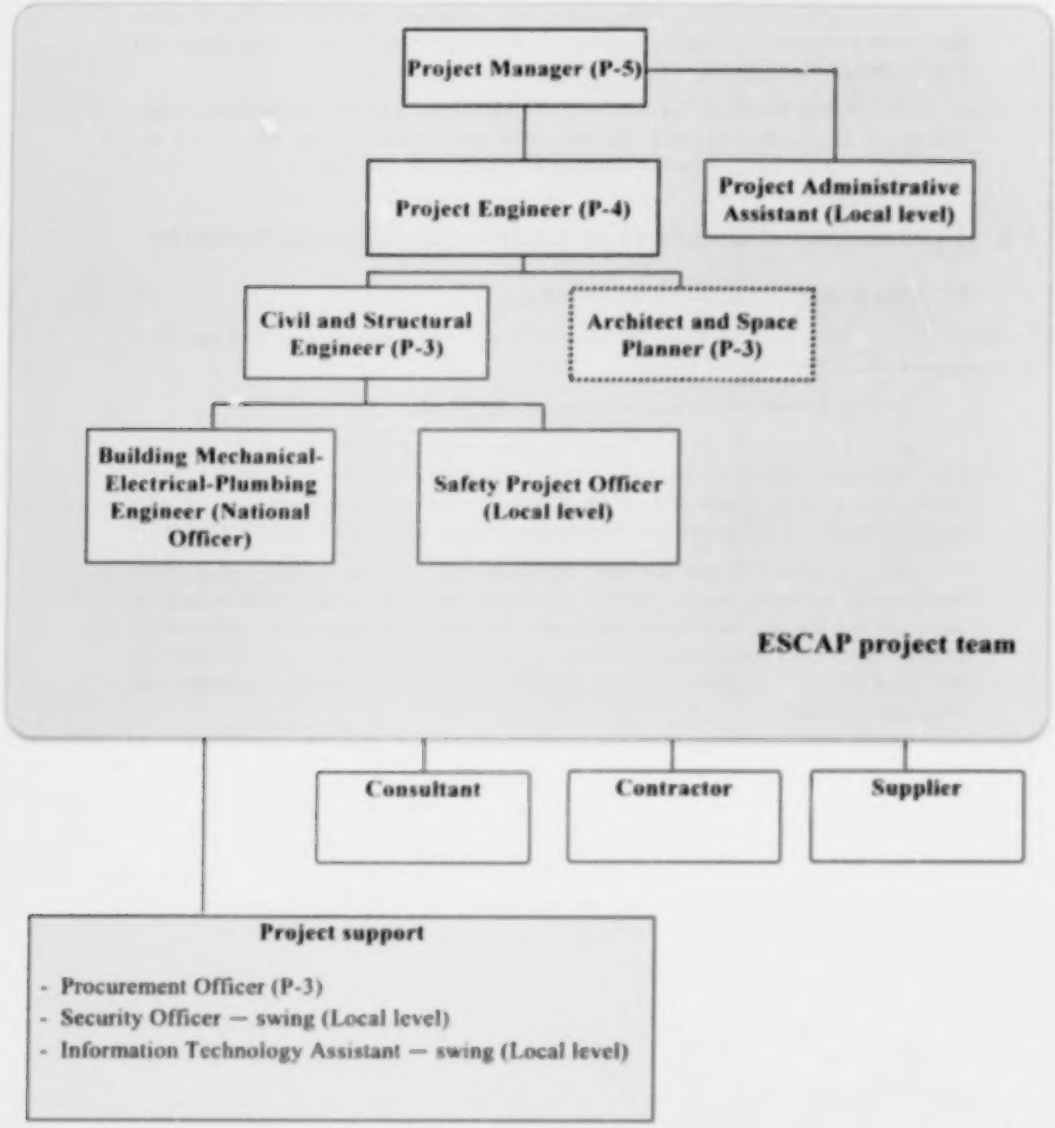
(b) Take note of the revised project cost plan;

(c) Approve the establishment of two temporary positions (one P-3 and one National Officer), effective 1 January 2018, in the dedicated project management team, under section 19, Economic and social development in Asia and the Pacific, of the proposed programme budget for the biennium 2018-2019;

(d) Appropriate an amount of $4,116,857 for the project for 2018, comprising $674,611 under section 19, Economic and social development in Asia and the Pacific, and $3,442,246 under section 33, Construction, alteration, improvement and major maintenance, of the proposed programme budget for the biennium 2018-2019, which would represent a charge against the contingency fund.

Annex I

ESCAP project team composition



Annex II

Cost plan

(Millions of United States dollars)

	Phase / Year	2 2017[a]	3 2017[b]	4 2017[c]	2-4 2018[c]	5 2019[c]	5 2020[c]	5 2021[c]	5 2022[c]	6 2023[c]	Total
1	Trade costs				2.139	6.155	4.988	8.607	2.926		24.816
2	Consultancies fees	0.325	0.059	0.222	0.731	0.392	0.301	0.582	0.142		2.370
	2.1 Seismic design	0.100	0.018	0.098							0.098
	2.2 Independent risk management firm[d]				0.051	0.051	0.039	0.075	0.018		0.233
	2.3 Lead consultant firm[e]				0.656	0.341	0.263	0.507	0.123		1.890
	2.4 Accessibility consultants		0.041	0.041							0.041
	2.5 Project quality assurance services			0.083	0.025						0.108
3	Escalation[f]	0.013			0.239	0.817	0.899	1.991	0.814		4.760
4	Contingencies	0.034			0.333	0.736	0.619	1.118	0.388		3.195
5	Project management	0.506	0.217	0.527	0.675	0.696	0.916	0.916	0.916	0.232	4.879
	Total	**0.877**	**0.276**	**0.749**	**4.117**	**8.796**	**7.724**	**13.215**	**5.187**	**0.232**	**40.019**

[a] Approved by the General Assembly in section IV of resolution 71/272.

[b] Based on current review and obligation at 1 July 2017.

[c] Projected.

[d] Projected cost of the independent risk management firm to be engaged by the Overseas Property Management Unit of the Office of Central Support Services, shared at 50 per cent with the Africa Hall project of the Economic Commission for Africa.

[e] The budget for the lead consultant firm is the combined figure of the design and construction management components. It has been budgeted at the same level as specified in the previous report (A/71/333). The procurement case for the lead consultant firm was with the Procurement Division of the Office of Central Support Services and the Headquarters Committee on Contracts as at 1 July 2017.

[f] Escalation calculated as 4 per cent annual compounded.

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Seventy-second session
Item 137 of the provisional agenda*
Proposed programme budget for the biennium 2018-2019

Seismic mitigation retrofit and life-cycle replacements project at the Economic and Social Commission for Asia and the Pacific premises in Bangkok

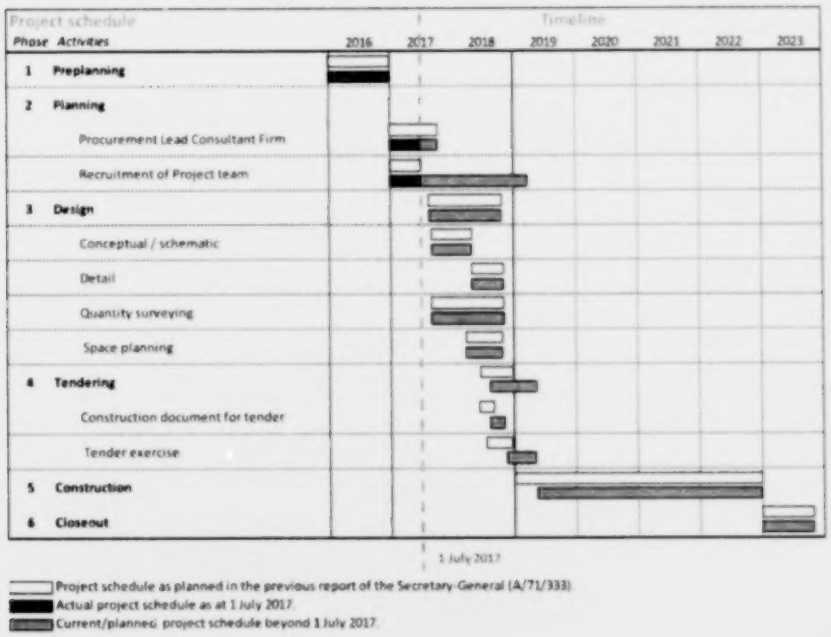
Report of the Secretary-General

Corrigendum

1. Figure 2

Replace figure 2 with the figure below.

Figure 2
Proposed project schedule as at 1 July 2017



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2. Annex II

Replace the existing table with the table below.

Cost plan

(Millions of United States dollars)

	Phase Year	2 2017[a]	3 2017[b]	4 2017[c]	2-4 2018	5 2019	5 2020	5 2021	5 2022	6 2023	Total
1	Trade costs				2.139	6.155	4.988	8.607	2.926		24.816
2	Consultancies fees	0.325	0.059	0.222	0.731	0.392	0.301	0.582	0.142		2.370
	2.1 Seismic design	0.100	0.018	0.098							0.098
	2.2 Independent risk management firm[d]				0.051	0.051	0.039	0.075	0.018		0.233
	2.3 Lead consultant firm[e]				0.656	0.341	0.263	0.507	0.123		1.890
	2.4 Accessibility consultants		0.041	0.041							0.041
	2.5 Project quality assurance services			0.083	0.025						0.108
3	Escalation[f]	0.013			0.239	0.817	0.899	1.991	0.814		4.760
4	Contingencies	0.034			0.333	0.736	0.619	1.118	0.388		3.195
5	Project management	0.506	0.217	0.527	0.675	0.901	0.951	0.848	0.745	0.232	4.879
	Total	**0.877**	**0.276**	**0.749**	**4.117**	**8.796**	**7.724**	**13.215**	**5.187**	**0.232**	**40.019**

[a] Approved by the General Assembly in section IV of resolution 71/272.
[b] Based on current review and obligation at 1 July 2017.
[c] Projected.
[d] Projected cost of the independent risk management firm to be engaged by the Overseas Property Management Unit of the Office of Central Support Services, shared at 50 per cent with the Africa Hall project of the Economic Commission for Africa.
[e] The budget for the lead consultant firm is the combined figure of the design and construction management components. It has been budgeted at the same level as specified in the previous report (A/71/333). The procurement case for the lead consultant firm was with the Procurement Division of the Office of Central Support Services and the Headquarters Committee on Contracts as at 1 July 2017.
[f] Escalation calculated as 4 per cent annual compounded.

United Nations A/72/339

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Seventy-second session
Item 100 (cc) of the provisional agenda*
General and complete disarmament

Follow-up to the 2013 high-level meeting of the General Assembly on nuclear disarmament

Report of the Secretary-General

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* A/72/150.

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I. Introduction

1. In its resolution 71/71 of 15 December 2016 on follow-up to the 2013 high-level meeting of the General Assembly on nuclear disarmament, the General Assembly:

(a) Underlined the strong support expressed at its high-level meeting on nuclear disarmament, held on 26 September 2013, for taking urgent and effective measures to achieve the total elimination of nuclear weapons (para. 1);

(b) Called for urgent compliance with the legal obligations and the fulfilment of the commitments undertaken on nuclear disarmament and endorsed the wide support expressed at the high-level meeting for a comprehensive convention on nuclear weapons (paras. 2 and 3);

(c) Also called for the urgent commencement of negotiations in the Conference on Disarmament for the early conclusion of a comprehensive convention on nuclear weapons to prohibit their possession, development, production, acquisition, testing, stockpiling, transfer, use or threat of use and to provide for their destruction (para. 4);

(d) Requested the Secretary-General to seek the views of Member States with regard to achieving the objective of the total elimination of nuclear weapons, in particular on the elements of a comprehensive convention on nuclear weapons, and to submit a report thereon to the Assembly at its seventy-second session, and also to transmit the report to the Conference on Disarmament (para. 14).

2. By notes verbales dated 17 February 2017 and 12 June 2017, Member States were invited to communicate their views on the issue. Replies received from Member States and international organizations as at 31 July 2017 are set out in section II below; replies received thereafter will be posted on the website of the Office for Disarmament Affairs[1] in the language of submission only.

II. Replies received from Governments

Argentina

[Original: Spanish]
[13 June 2017]

Argentina will spare no effort to work constructively and to mobilize the broadest possible consensus to reach the ultimate goal of a nuclear-weapon-free world. This is a priority goal of Argentine foreign policy, based on its historic position in support of general and complete disarmament, in accordance with article VI of the Treaty on the Non-Proliferation of Nuclear Weapons. Accordingly, Argentina will continue to participate in all discussions, forums and negotiations dealing with this objective, with a view to eliminating nuclear weapons throughout the world in an irreversible, transparent and verifiable manner, in the firm belief that the Treaty is the cornerstone of the international legal framework for nuclear non-proliferation and disarmament.

Argentina is concerned by the lack of real progress in recent years on nuclear disarmament. In its view, the nuclear Powers should take the lead and honour the commitments made under the Treaty, in particular article VI. Argentina believes that the international community should join efforts to generate fruitful opportunities for dialogue and negotiation between the nuclear-weapon States parties to the Treaty

[1] www.un.org/disarmament/.

and the non-nuclear-weapon States parties. The review cycle of the Treaty provides an enabling environment for the promotion of joint efforts and an opportunity to overcome divisions within the international community.

Argentina considers that the general and complete elimination of nuclear weapons is the best guarantee against the use or threat of use of such weapons, thereby avoiding their irrevocable humanitarian consequences.

It is important to highlight that some steps have already been taken towards the prohibition and total elimination of nuclear weapons in order to achieve a nuclear-weapon-free world. This objective is enshrined in article VI of the Treaty, as it requires parties to pursue the goal of general and complete disarmament and includes the possibility to prohibit nuclear weapons in the future. The applicability and enforceability that article VI has always had, and continues to have, should therefore not be diminished in order to achieve this goal.

However, the Argentine Republic believes that progress towards the elimination of nuclear weapons must be made in an effectively verifiable manner that reaffirms the Treaty regime without undermining the achievements already made in the area of non-proliferation.

With regard to verification, Argentina welcomes General Assembly resolution 71/67 and the creation of a group of governmental experts to consider the issue of nuclear disarmament verification within the framework of the United Nations, since it is appropriate to focus on addressing these issues within the mechanisms of the Organization in order for them to contribute to the negotiations on nuclear disarmament.

Based on this commitment, Argentina acceded to the International Partnership for Nuclear Disarmament Verification in May 2016 on the understanding that it provides a real opportunity to move forward in nuclear disarmament. The progress made within this informal mechanism could contribute to future work carried out within the United Nations. For this reason, Argentina hopes that the forthcoming group of governmental experts will take into account the documents and findings produced within this mechanism.

Argentina also played a constructive role in the United Nations conference to negotiate a legally binding instrument to prohibit nuclear weapons, leading towards their total elimination. Argentina gave an explanation of vote at the time the text was adopted.

Brazil

[Original: English]
[31 July 2017]

Brazil is fully committed to the objective of nuclear disarmament, as these weapons constitute the most serious threat to humankind and to international peace and security.

The continued existence of nuclear weapons increases tensions throughout the world, fosters suspicion and hinders cooperation between States. The limited reductions of nuclear weapons made thus far are, unfortunately, offset by the continued modernization and qualitative improvement of nuclear arsenals.

There is a clear compliance deficit on the part of nuclear-weapon States in their commitment under article VI of the Treaty on the Non-Proliferation of Nuclear Weapons, which was reinforced by the outcomes of the Treaty's 2000 and 2010 Review Conferences. It is worrisome that at the 2015 Review Conference of the

Parties to the Treaty we could not reach an outcome document that would further build on the consensual Final Document of the 2010 Review Conference. Efforts should be made to avoid another such stalemate in the current review cycle.

Brazil is honoured to have actively participated in the negotiations that led to the adoption of the Treaty on the Prohibition of Nuclear Weapons. This Treaty is a victory of hope over fatalism. It is a collective undertaking aimed at putting human life, dignity and respect at the centre of the global order. It will strengthen and complement existing obligations in the international nuclear regime, in particular article VI of the Treaty on the Non-Proliferation of Nuclear Weapons. We invite all those genuinely concerned with nuclear disarmament to sign, ratify and swiftly implement the Treaty on the Prohibition of Nuclear Weapons.

Moreover, Brazil is keen to contribute to the United Nations high-level international conference on nuclear disarmament to be convened in 2018 to review the progress made in this regard. It will be a unique opportunity to gather even more support from States and civil society for the goal of a world free of nuclear weapons.

Brunei Darussalam

[Original: English]
[29 June 2017]

Brunei Darussalam supports disarmament efforts and the non-proliferation of all types of weapons of mass destruction, including nuclear weapons, at both the regional and global levels. As such, Brunei Darussalam is a party to most of the major regional and global instruments pertaining to nuclear disarmament and non-proliferation, including the Treaty on the Non-Proliferation of Nuclear Weapons, the Comprehensive Nuclear Test Ban Treaty and the Treaty on the South-East Asia Nuclear-Weapon-Free Zone.

Brunei Darussalam does not possess nuclear weapons and has no intention of producing or acquiring nuclear weapons and other weapons of mass destruction, hence it is in Brunei Darussalam's interest to ensure nuclear disarmament, including by participating in and expressing support for relevant agreements, by sharing information and best practices and by promoting efforts towards confidence-building and transparency measures.

Brunei Darussalam concurs with like-minded States on the general principles of nuclear disarmament and in particular shares their grave concern at the threats posed to humanity by the continued existence of nuclear weapons and their potentially destructive uses.

China

[Original: English]
[28 July 2017]

Pursuant to resolution 71/71, the Government of China wishes to submit its views on nuclear disarmament as set out below.

Eliminating the danger of nuclear war by means of the complete prohibition and destruction of nuclear weapons and the achievement of a nuclear-weapon-free world will serve the common interests of humankind.

In the spirit of jointly building a shared future for humankind, the international community should advocate and pursue a common, comprehensive, cooperative and

sustainable security, should fully respect and accommodate the legitimate and reasonable security concerns of all countries, should resolve international disputes by peaceful means and should work together to foster a peaceful and stable international security environment, so as to create the conditions necessary for progress in nuclear disarmament.

It is important to adhere to multilateralism, to maintain and promote the authority, universality and effectiveness of the Treaty on the Non-Proliferation of Nuclear Weapons, and to promote in a balanced way the three pillars of the Treaty, namely nuclear non-proliferation, nuclear disarmament and the peaceful uses of nuclear energy. The international community should adhere and give full effect to the role of existing multilateral mechanisms, including the Conference on Disarmament in Geneva, so as to provide legal support and institutional guarantees for nuclear disarmament process.

All nuclear-weapon States should undertake publicly not to seek permanent possession of nuclear weapons and to fulfil in earnest their nuclear disarmament obligations under article VI of the Treaty.

Nuclear disarmament should follow the principles of "maintaining global strategic stability" and "undiminished security for all", and should be pursued in a step-by-step manner, as follows:

(a) The development and deployment of missile defence systems detrimental to global stability, as well as related international cooperation in this regard, should be stopped and abandoned immediately, so as not to hamper international nuclear disarmament efforts;

(b) To prevent the weaponization of, and an arms race in, outer space will be conducive to maintaining the global strategic balance and stability and to creating the international security environment necessary for nuclear disarmament;

(c) It is also necessary to take pre-emptive arms control measures and to contain the trend of weaponization in the fields of cyberspace and artificial intelligence, so as to prevent a high-technology arms race from aggravating the international strategic imbalance.

Countries that possess the largest nuclear arsenals bear a special and primary responsibility for nuclear disarmament and should take the lead in substantially reducing those arsenals in a verifiable, irreversible and legally binding manner, thus creating the conditions necessary for the ultimate goal of general and comprehensive nuclear disarmament. When conditions are ripe, other nuclear-weapon States should also join multilateral negotiations on nuclear disarmament.

The Comprehensive Nuclear-Test-Ban Treaty is an important step in the nuclear disarmament process. Countries that have not yet done so should sign and ratify the Treaty as soon as possible so that it may enter into force, as stipulated by relevant provisions, at the earliest opportunity. Pending the entry into force of the Treaty, nuclear-weapon States should continue to observe their moratoriums on nuclear tests.

The Conference on Disarmament is the sole appropriate forum for the negotiation of a treaty banning the production of fissile material for nuclear weapons or other nuclear explosive devices. Reaching agreement on a comprehensive and balanced programme of work in the Conference on Disarmament, so as to start the negotiation on a fissile material cut-off treaty on the basis of the Shannon report (CD/1299), is the only feasible way forward. Moreover, the universal participation of all key parties is essential for the preparation and negotiation of the treaty to be effective. The United Nations high-level fissile

material cut-off treaty expert preparatory group should conduct its work in strict accordance with its mandate provided in General Assembly resolution 71/259.

Meanwhile, to reduce the danger of nuclear war and improve the level of mutual trust among States, nuclear-weapon States should:

(a) Reduce the role of nuclear weapons in national security doctrines, abandon nuclear deterrence policy based on first use of nuclear weapons and commit themselves to no first use of nuclear weapons at any time or under any circumstances;

(b) Honour their commitments not to target their nuclear weapons at any countries or to identify any countries as targets of nuclear strikes;

(c) Undertake explicitly and unconditionally the commitment not to use or threaten the use of nuclear weapons against non-nuclear-weapon States or nuclear-weapon-free zones, and negotiate and conclude international legal instruments on the issues of negative security assurances and no-first-use of nuclear weapons;

(d) Support the efforts of relevant countries and regions to establish nuclear-weapon-free zones and other weapons-of-mass-destruction-free zones in accordance with regional conditions and on the basis of voluntary consultations and agreements;

(e) Abandon the nuclear umbrella policy and the practice of nuclear sharing. Countries that deploy nuclear weapons abroad should withdraw and repatriate all such weapons;

(f) Take all steps necessary to avoid accidental or unauthorized launches of nuclear weapons.

China actively participated in the 2013 high-level meeting of the General Assembly on nuclear disarmament and voted in favour of resolution 71/71. China supports the commemoration and promotion of 26 September as the International Day for the Total Elimination of Nuclear Weapons, and will positively consider attending the United Nations high-level international conference on nuclear disarmament to be convened in 2018.

Colombia

[Original: Spanish]
[30 May 2017]

Colombia fully complies with the provisions of the main international instruments on nuclear disarmament, recognizes the established international institutions and is firmly committed to the nuclear disarmament and non-proliferation regime. These are the integral foundations of its foreign policy.

As a non-nuclear-weapon Member State, Colombia reaffirms its respect for and commitment to the Treaty on the Non-Proliferation of Nuclear Weapons and its three pillars, which will continue to be the cornerstone supporting all efforts in nuclear disarmament.

Colombia is also a party to the Treaty for the Prohibition of Nuclear Weapons in Latin America and the Caribbean, known as the Treaty of Tlatelolco, which is a landmark treaty at the regional level and which established the first nuclear-weapon-free zone in a densely populated region. The Treaty marked its fiftieth anniversary on 14 February 2017 and continues to make an invaluable contribution to regional peace and security and to nuclear non-proliferation worldwide.

Colombia is participating in the negotiations on a legally binding instrument to prohibit nuclear weapons, leading towards their total elimination, using guiding

principles based on its status as a State party to the Treaty on the Non-Proliferation of Nuclear Weapons and the Treaty of Tlatelolco.

Ecuador

[Original: Spanish]
[31 July 2017]

The date of 7 July 2017 will go down in history as a milestone in the quest for universal peace. On that date a conference convened by the General Assembly adopted the Treaty on the Prohibition of Nuclear Weapons. These weapons, whose devastating consequences for humanity are beyond doubt, will be prohibited by a legally binding universal instrument that will be open for signature by all States. Ecuador actively participated in the process that led to the convening of the negotiating conference for the Treaty and in the negotiations that culminated in its adoption.

The Constitution of Ecuador provides for the promotion of peace and universal disarmament in the conduct of international relations, and condemns the development and use of weapons of mass destruction and the imposition of military bases or facilities by certain States on the territory of others. It also prohibits the development, production, stockpiling, import, transport, transfer and use of chemical, biological and nuclear weapons, as well as the release of nuclear and toxic waste into national territory. Ecuador is part of the nuclear-weapon-free zone created by the Treaty of Tlatelolco. It has also ratified all of the main international instruments related to non-proliferation and nuclear disarmament, notably the Treaty on the Non-Proliferation of Nuclear Weapons, the Comprehensive Nuclear-Test-Ban Treaty and additional protocols on safeguards and cooperation with the International Atomic Energy Agency.

It is a matter of particular concern that the nuclear Powers have embarked upon the modernization of their nuclear weapons, and the delivery systems and platforms thereof, and that they have not reduced the role of nuclear weapons in their military doctrines, contradicting both the spirit and the letter of the Treaty on the Non-Proliferation of Nuclear Weapons and the Comprehensive Nuclear-Test-Ban Treaty.

Ecuador regrets that the Comprehensive Nuclear-Test-Ban Treaty has not yet entered into force due to an ongoing reluctance to ratify it on the part of some States listed in Annex 2 of the Treaty. The adoption of the Treaty has made it clear that these weapons are contrary to international law, as its measures include procedures to enable nuclear-weapon States to eliminate nuclear weapons, before or after their accession to the Treaty. Until total elimination is achieved, nuclear-weapon States must in all circumstances refrain from the use or threat of use of nuclear weapons against any non-nuclear-weapon State by concluding a universal, legally binding instrument on unconditional, non-discriminatory and irrevocable effective security assurances to be provided by nuclear-weapon States to all non-nuclear-weapon States against the use or threat of use of such weapons.

It is necessary to continue advocating for the elimination of these weapons in all forums, and Ecuador therefore supports the holding of the annual International Day for the Total Elimination of Nuclear Weapons on 26 September, and the convening of a United Nations high-level international conference on nuclear disarmament in 2018.

India

[Original: English]
[11 May 2017]

India supported resolution 71/71 submitted by the Movement of Non-Aligned Countries, in which the General Assembly called for the Conference on Disarmament to commence negotiations on a comprehensive convention on nuclear weapons.

India is convinced that the goal of nuclear disarmament can be achieved by a step-by-step process underwritten by a universal commitment and an agreed multilateral framework that is global and non-discriminatory. There is need for a meaningful dialogue among all States possessing nuclear weapons to build trust and confidence and for reducing the salience of nuclear weapons in international affairs and security doctrines.

The working paper by India on nuclear disarmament (CD/1816) enumerated specific steps, including reaffirmation of the unequivocal commitment of all nuclear-weapon States to the goal of complete elimination of nuclear weapons; reduction of the salience of nuclear weapons in the security doctrines; measures by nuclear-weapon States to reduce nuclear danger; negotiation of a global agreement among nuclear-weapon States on "no-first-use" of nuclear-weapons; negotiation of a universal and legally binding agreement on non-use of nuclear weapons against non-nuclear-weapon States; negotiation of a convention on the complete prohibition of the use or threat of use of nuclear weapons; and negotiation of a nuclear weapons convention prohibiting the development, production, stockpiling and use of nuclear weapons and providing for their destruction, leading to the global, non-discriminatory and verifiable elimination of nuclear weapons within a specified time frame.

India considers the Conference on Disarmament as the appropriate forum for the commencement of negotiations on nuclear disarmament through the establishment of a subsidiary body with a mandate agreed by consensus as part of a comprehensive and balanced programme of work.

India joined the statements on behalf of the Group of 21, made in the Conference on Disarmament in March 2014, September 2014, March 2015, June 2015, August 2015, March 2016, May 2016 and March 2017, calling for urgent commencement of negotiations on nuclear disarmament in the Conference on Disarmament, in particular on a comprehensive convention to prohibit the possession, development, production, acquisition, testing, stockpiling, transfer, use or threat of use of nuclear weapons and to provide for their destruction.

Iran (Islamic Republic of)

[Original: English]
[31 July 2017]

In the view of the Islamic Republic of Iran, there is no absolute guarantee against the threat or use of nuclear weapons other than their total elimination. Nuclear disarmament is an obligation that cannot be replaced by nuclear-weapon reductions and the establishment of nuclear-weapon-free zones, or by any other arrangement or mechanism short of the total, irreversible and internationally verifiable elimination of all nuclear weapons globally, in accordance with a universal, legally binding instrument that also ensures that they will never be produced again.

As unanimously concluded by the International Court of Justice in its advisory opinion of 8 July 1996, taking all necessary practical measures for the total elimination of all nuclear weapons worldwide, including to pursue in good faith and bring to a conclusion negotiations leading to nuclear disarmament in all its aspects under strict and effective international control, is a legal obligation to which all States parties to the Treaty on the Non-Proliferation of Nuclear Weapons are committed under its article VI. It is imperative that the obligations under article VI, the accomplishment of which is neither conditional nor optional, be urgently fulfilled in order to remove the threat posed to humanity by the continued existence of nuclear weapons and to prevent the further frustration of non-nuclear-weapon States and the consistent erosion of the validity, effectiveness and credibility of the Treaty.

Iran stresses the need to preserve the momentum on nuclear disarmament created, in part, by the first-ever high-level meeting of the General Assembly on nuclear disarmament and by the three conferences on the humanitarian impact of nuclear weapons held in 2013 and 2014. In this context, while underlining the importance of the United Nations conference to negotiate a legally binding instrument to prohibit nuclear weapons, leading towards their total elimination (New York, 27-31 March and 15 June-7 July 2017), which resulted in the adoption of the Treaty on the Prohibition of Nuclear Weapons, Iran highlights the significance of the United Nations high-level international conference on nuclear disarmament to be convened in 2018 to review the progress made in this regard.

To complement this process, Iran emphasizes the importance of the urgent and full implementation of the provisions of Assembly resolution 68/32, in which the Assembly, among other things, called for the urgent commencement of negotiations in the Conference on Disarmament for the early conclusion of a comprehensive convention on nuclear weapons to prohibit their possession, development, production, acquisition, testing, stockpiling, transfer, use or threat of use and to provide for their destruction. Iran strongly holds that such a comprehensive convention is the only practical way to achieve the objective of the total elimination of nuclear weapons and can, in no way, be replaced by unilateral or bilateral initiatives or other similar arrangements.

While reiterating its support for the urgent commencement of negotiations for the early conclusion of a comprehensive convention on nuclear weapons, Iran is of the view that such a convention, as a universal, non-discriminatory, legally binding instrument, inter alia, should:

(a) Prohibit forever, without exception and under any circumstances, research on, and the development, testing, production, possession, acquisition, transfer, transit, retention, stockpiling and use or threat of use of, all types of nuclear weapons or other nuclear explosive devices worldwide;

(b) Set, within a phased programme, a clear and unalterable deadline for the total elimination of all types of nuclear weapons or other nuclear explosive devices worldwide;

(c) Prohibit forever, without exception and under any circumstances, research on, and the production, possession, acquisition, transfer, transit, retention, and stockpiling of, any amount of fissile material for use in nuclear weapons or other nuclear explosive devices worldwide;

(d) Set, within a phased programme, a clear and unalterable deadline for the total elimination of, or the conversion to material usable exclusively for peaceful purposes of, all existing fissile materials for use in nuclear weapons or other nuclear explosive devices worldwide;

(e) Prohibit forever, without exception and under any circumstances, the planning for, or the construction of, any installation or facility relating to research on, and the development or production of, any type of nuclear weapon or other nuclear explosive device worldwide;

(f) Set, within a phased programme, a clear and unalterable deadline for the total destruction of all the installations or facilities relating to research on, and the development or production of, any type of nuclear weapon or other nuclear explosive device worldwide;

(g) Prohibit forever, without exception and under any circumstances, any kind of direct or indirect cooperation in, or assistance to, or encouragement or inducement of, any activity prohibited under the convention or incompatible, in any way, with its object and purpose;

(h) Confirm, explicitly, that its main objective is to ensure that, under any circumstances, there is no type of nuclear weapon or other nuclear explosive device, no fissile material for use in nuclear weapons or other nuclear explosive devices, and no installation or facility relating to research on, or the development or production of, any type of nuclear weapon or other nuclear explosive device or any activity prohibited under the convention or incompatible, in any way, with its object and purpose worldwide;

(i) Establish a robust international verification mechanism to ensure the total absence of any type of nuclear weapon or other nuclear explosive device, any amount of fissile material for use in nuclear weapons or other nuclear explosive devices, or any installation or facility relating to research on, or the development or production of, any type of nuclear weapon or other nuclear explosive device or any other activity prohibited under the convention or incompatible, in any way, with its object and purpose, and to ensure the sustainability of such a situation worldwide under all circumstances;

(j) Be of indefinite duration and enter into force after its ratification by all those who possess nuclear weapons or other nuclear explosive devices, fissile material for use in nuclear weapons or other nuclear explosive devices, and installations or facilities relating to research on, or the production of, any type of nuclear weapon or other nuclear explosive device, or are engaged in any other activity prohibited under the convention or incompatible, in any way, with its object and purpose.

Lebanon

[Original: Arabic]
[24 April 2017]

Lebanon reaffirms the following:

Lebanon does not possess or produce weapons of mass destruction. It complies with the United Nations resolutions in that regard and is opposed to the legality of the threat or use of such weapons.

It welcomes and supports all initiatives aimed at bringing about general and complete disarmament, especially in the Middle East, and emphasizes that the region should be free of weapons of mass destruction. It is, however, concerned at the failure of Israel to comply with international law. Israel maintains a nuclear arsenal that constitutes a constant threat to all the States of the region and consequently to international peace and security.

It is essential for the Arab States to continue to call for the establishment of a region free of weapons of mass destruction in the Middle East, because that is the only available option for coping with the dangers that the nuclear armaments of Israel and its other weapons of mass destruction represent for international peace and Arab national security.

The international community should continue to demand that all States in the region, including Israel, should sign treaties on the non-proliferation of weapons of mass destruction and nuclear weapons.

Madagascar

[Original: French]
[10 July 2017]

In view of the current international situation, the United Nations is convinced that nuclear disarmament and the total elimination of nuclear weapons are the only absolute guarantee against the use or threat of use of nuclear weapons. The contribution of civil society, including non-governmental organizations, academia, parliamentarians and the mass media, plays an important role in the area of nuclear disarmament.

Pending the adoption of a comprehensive convention on nuclear weapons, immediate compliance with the legal obligations and fulfilment of the commitments undertaken on nuclear disarmament are essential. It is necessary to review progress on the actions proposed during the high-level meeting of the General Assembly on nuclear disarmament. A preparatory committee for the United Nations high-level international conference on nuclear disarmament should be established to collect all proposals from Member States, as well as public opinion, regarding the total elimination of nuclear weapons.

Despite its status as a non-nuclear-weapon State, Madagascar should be involved in the different stages of negotiations that will lead to a comprehensive nuclear weapons convention. Furthermore, active participation in the International Day for the Total Elimination of Nuclear Weapons is vital. This should involve all means of educational and public awareness-raising activities at the national and international levels on the threats posed by nuclear weapons.

Mexico

[Original: Spanish]
[30 May 2017]

Mexico believes that the high-level meeting of the General Assembly on nuclear disarmament, which was held on 26 September 2013, revealed the strong desire of a large majority of States for the United Nations to immediately address an issue that was the subject of the first General Assembly resolution in 1946: the elimination of nuclear weapons.

Mexico is conscious of the devastating short- and long-term effects that an intentional or accidental nuclear detonation would have on the population and the environment at the regional and global levels. For Mexico, striving for nuclear disarmament means defending and strengthening the purposes and principles of the Charter of the United Nations as well as complying with the constitutional principles that govern its foreign policy.

Mexico has pressed for the full and complete elimination of nuclear weapons under strict international control and in line with the principles of irreversibility,

verification and transparency in order to achieve and maintain a nuclear-weapon-free world.

In an effort to promote initiatives to achieve this aim, Mexico and 15 other countries issued a joint statement in 2012 on the humanitarian consequences of using nuclear weapons. This led to the creation of the Humanitarian Initiative, a result of the frustration of non-nuclear-weapon States and civil society at the lack of meaningful progress towards nuclear disarmament.

For Mexico, the subject of nuclear weapons had always been addressed from a political and legal perspective, without taking into account their seriously harmful effects. Mexico and the other States leading the Humanitarian Initiative therefore agreed to contribute to the stigmatization of nuclear weapons — on the basis of hard factual data on the impact of their use — as a step towards their prohibition and elimination.

The Humanitarian Initiative led to three Conferences on the Humanitarian Impact of Nuclear Weapons, held in Oslo in 2013 and in Nayarit, Mexico, and Vienna in 2014, which scientifically addressed the catastrophic consequences of accidental or intentional nuclear detonations as well as the risks from the mere existence of nuclear weapons to the environment, ecosystems, climate stability, development, global health and food security.

At the Vienna Conference, participants agreed on steps to fill the legal gap for the stigmatization and prohibition of nuclear weapons (the Austrian Pledge) with a view to their elimination, taking into account the harm that would result from any nuclear detonation. The international community was invited to join the movement. In January 2015, at the initiative of Mexico, the Community of Latin American and Caribbean States became the first regional body to endorse the Austrian Pledge, which received support from 127 countries and became known as the Humanitarian Pledge.

As a step forward and within the framework of the First Committee, Mexico, together with Austria, Ireland and South Africa, supported General Assembly resolution 70/33 entitled "Taking forward multilateral nuclear disarmament negotiations", which established an open-ended working group whose mandate was to address new legal norms and measures on nuclear disarmament.

The open-ended working group was convened in 2016 in Geneva (the first session was held in February, the second session in May and the third session in August). In its final report, the working group recommended convening a conference in 2017 to negotiate a legally binding instrument to prohibit nuclear weapons. The General Assembly adopted resolution 71/258, co-sponsored by Mexico, which implements this recommendation.

Mexico took part in the first session of the conference convened pursuant to resolution 71/258, which was held from 27 to 31 March 2017, in the belief that the prohibition of nuclear weapons could be achieved after an impasse of 21 years, in which negotiations aimed at prohibiting and eliminating nuclear weapons had not commenced.

Mexico welcomes the convening of the United Nations conference to negotiate a legally binding instrument to prohibit nuclear weapons.

Mexico believes that this negotiation:

(a) Is consistent with the obligation contained in article VI of the Treaty on the Non-Proliferation of Nuclear Weapons, thereby contributing to compliance with it;

(b) Will not substitute for the Non-Proliferation Treaty, since the specific implementation of a such a treaty will not undermine the regime of the other. Both instruments will complement each other, thereby strengthening the nuclear non-proliferation and disarmament regime.

Mexico has three clear goals in the negotiation of a legally binding instrument:

(c) The negotiation process must be simple and efficient. Mexico will look favourably on any initiative that leads to this goal and avoids distractions from processes which also complement the nuclear non-proliferation and disarmament regime;

(d) The text of the treaty must be brief, clear and focused on the core purpose of prohibiting the use, acquisition, stockpiling, development, transfer and stationing or deployment of nuclear weapons, and also on the participation and assistance of its States parties, or inducement to participate, in any activity prohibited by this treaty;

(e) The treaty must be inclusive and open to all States, including States parties and States that are not parties to the Treaty on the Non-Proliferation of Nuclear Weapons, nuclear-weapon States and States under the nuclear umbrella.

In short, Mexico believes that the prohibition treaty would be a global extension to the various treaties establishing nuclear-weapon-free zones.

The prohibition of nuclear weapons contributes to the nuclear non-proliferation and disarmament regime but it will only be one part of the process towards the full and complete elimination of nuclear weapons. It will be complementary to other processes that are of high priority for the nuclear non-proliferation and disarmament regime within the framework of the Treaty on the Non-Proliferation of Nuclear Weapons.

A prohibition treaty that is consistent with the Treaty on the Non-Proliferation of Nuclear Weapons will contribute to the implementation of nuclear disarmament obligations by ensuring that such disarmament is irreversible.

Mexico will continue participating in the second session of the negotiating conference, which will be held from 15 June to 7 July in New York.

Netherlands

[Original: English]
[23 May 2017]

The Kingdom of the Netherlands herewith submits the view of the Government of the Netherlands on the issues covered by resolution 71/71.

The Netherlands wishes to emphasize that it fully shares the ultimate goal of the resolution, a world free of nuclear weapons. The Netherlands participated in the ministerial level in the 2013 high-level meeting on nuclear disarmament, during which various perspectives on how to best achieve a nuclear-weapon-free world were discussed.

The Netherlands notes with regret that the resolution reflects only one particular viewpoint, while various other proposals made at the high-level meeting were not captured by the resolution.

As stated in the explanation of vote that was read by the delegation of the Netherlands on behalf of a group of like-minded countries during the seventieth session of the General Assembly, the resolution includes no clear references to the Treaty on the Non-Proliferation of Nuclear Weapons, while the Netherlands would

have very much preferred a broader reference to the Treaty and an emphasis on its pivotal importance to nuclear disarmament.

The Netherlands also stands by its questions raised on the United Nations high-level international conference on nuclear disarmament to be convened in 2018. The Netherlands feels that the importance of international efforts on nuclear disarmament is insufficiently emphasized by processes that are, in scope and intention, insufficiently clear and transparent. This will prevent key States from participating and is detrimental to the international trust on which successful disarmament is based. Instead, we should focus our efforts on making progress in the context of the Treaty.

The Netherlands further regrets that, by focusing on one core element of the work of the Conference on Disarmament, the resolution does not do justice to the urgent attention that needs to be paid to the adoption of a comprehensive and balanced programme of work for the Conference and other core issues. The Netherlands also believes that starting negotiations on a nuclear-weapon convention without the participation of the States that possess nuclear weapons will not advance the overall goal of nuclear disarmament.

Qatar

[Original: Arabic]
[11 April 2017]

The State of Qatar reaffirms that there should be a comprehensive convention that prohibits the possession of nuclear weapons and mandates complete nuclear disarmament. The proposed convention, which should include a comprehensive verification regime, would prohibit the production, development, possession and use of nuclear weapons and would oblige nuclear-weapon States to destroy their stockpiles in phases by removing those weapons from high-alert status, gathering them from their places of deployment, removing the warheads from their delivery systems, disabling them by removing the nuclear explosive material and fissile material and ensuring that such materials are permanently converted into a state in which they can be used only for peaceful purposes and cannot be repurposed for use in nuclear warheads. The convention would also prohibit the production of fissile material, namely, highly enriched uranium and separated plutonium, which are required to produce nuclear weapons. The convention must furthermore provide for the establishment of an agency to ensure that States comply with the provisions convention, with a view to ensuring the total elimination of nuclear weapons.